

CONSUMER ETHNOCENTRISM, COUNTRY OF ORIGIN, PRODUCT EVALUATION  
AND PURCHASE INTENTION FOR FOREIGN APPAREL BRANDS

The Study of Vietnam

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ABSTRACT OF  
BACHELOR'S THESIS

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**Objectives:** This study attempts to explore the consumer ethnocentric and country of origin impacts on consumer behavior in the context of Vietnam. First, the study seeks to measure the variability of ethnocentric tendencies across demographic segments. Second, the study aspires to investigate the influence of country of origin on the relationship between consumer ethnocentrism and foreign product evaluation. Third, the study aims to explore whether consumer ethnocentric tendencies impact purchase intention for foreign apparel products.

**Summary:** The study adopted a quantitative design to construct the instrument. With the data collected on a sample size of 101, the independent samples t-test, the moderated multiple regression and the Pearson's correlation coefficient were utilized to test the interrelationship between demographics, consumer ethnocentrism, country of origin, foreign product evaluation and purchase intention for foreign products.

**Conclusions:** The findings show that country of origin has positive influences on foreign product evaluation as a predictor not as moderator. Demographics does not vary with consumer ethnocentrism. Consumer ethnocentrism does not have significant influences on purchase intention for foreign products. The results leads to the need for further research.

**Key words:** consumer behavior, consumer ethnocentrism, country of origin, product evaluation, purchase intention, developing countries, Vietnam

**Language:** English

**Grade:**

## TABLE OF CONTENTS

<b>I. Introduction .....</b>	<b>1</b>
<b>1.1. Background .....</b>	<b>1</b>
<b>1.2. Research Problem.....</b>	<b>3</b>
<b>1.3. Research Question.....</b>	<b>5</b>
<b>1.4. Research Objectives .....</b>	<b>6</b>
<b>1.5. Structure of the Thesis .....</b>	<b>7</b>
<b>II. Literature Review .....</b>	<b>9</b>
<b>2.1. From Ethnocentrism to Consumer Ethnocentrism .....</b>	<b>9</b>
2.1.1. Defining Ethnocentrism .....	9
2.1.2. Understanding Consumer Ethnocentrism .....	10
2.1.3. CETSCALE .....	11
2.1.4. Demographic Characteristics of Consumer Ethnocentrism .....	12
<b>2.2. Country Of Origin Image.....</b>	<b>15</b>
<b>2.3. The Influence of Country of Origin on Consumer Ethnocentrism and Product Evaluation for Foreign Products .....</b>	<b>17</b>
<b>2.4. The Influence of Consumer Ethnocentrism on Purchase Intention for Foreign Products .....</b>	<b>18</b>
<b>2.5. Vietnam as the Market of Interest .....</b>	<b>19</b>
2.5.1. Vietnam and Internationalization.....	19
2.5.2. The consumption behavior patterns of Vietnamese consumers .....	21
<b>2.6. Conceptual Framework.....</b>	<b>23</b>
<b>III. Methodology .....</b>	<b>25</b>
<b>3.1. Research Design .....</b>	<b>25</b>

<b>3.2. Survey Construct Development .....</b>	<b>26</b>
3.2.1. Consumer Ethnocentrism .....	26
3.2.2. Country Of Origin Image.....	27
3.2.3. Product Evaluation .....	28
3.2.4. Purchase Intention.....	28
<b>3.3. Data Collection .....</b>	<b>29</b>
3.3.1. Product and Foreign Countries Selection .....	29
3.3.2. Survey .....	30
<b>3.4. Methods of Data Analysis .....</b>	<b>30</b>
3.4.1. Independent-Sample T-Test.....	32
3.4.2. Moderated Multiple Linear Regression .....	33
3.4.3. Pearson's Correlation Coefficient .....	34
<b>3.5. Validity and Reliability .....</b>	<b>35</b>
<b>IV. FINDINGS.....</b>	<b>39</b>
<b>4.1. Sample Characteristics.....</b>	<b>39</b>
<b>4.2. Hypothesis Testing .....</b>	<b>42</b>
4.2.1. Consumer Ethnocentrism .....	42
4.2.2. Consumer Ethnocentrism and Demographics.....	44
4.2.3. Consumer Ethnocentrism, Country of Origin Image and Product Evaluation .....	48
4.2.4. Consumer Ethnocentrism and Purchase Intention .....	51
<b>V. DISCUSSION AND ANALYSIS.....</b>	<b>54</b>
<b>VI. CONCLUSIONS .....</b>	<b>60</b>
<b>6.1. Main Findings .....</b>	<b>60</b>
<b>6.2. Implications for International Business.....</b>	<b>62</b>
<b>6.3. Limitation and recommendations for future research .....</b>	<b>62</b>

REFERENCES

APPENDICES

# I. Introduction

## **1.1. Background**

The increased globalization has broken down international trade barriers, offering brands the easy access to the world market and elevating them to the globally-recognized presence. In this increasingly global consumer culture, consumers are experiencing an enormous variety of established domestic brands and new foreign brands. The shopping experiences that were once exclusively local are now emerging on a global stage. As a result, consumers are now faced with a paradox of choices. In such situation, they tend to look extensively at product cues to come to their product evaluation and further purchasing decisions. A stream of academic literature has well documented that the consumption experience can be attributed to the influence of countries where the products are from (Bilkey and Nes, 1982; Wall and Heslop, 1986; Shimp and Sharma, 1987; Cumberland et al., 2010; Bandyopadhyay, 2014). Consumers are likely to form country stereotypical notions, which stimulate their perceptions on domestic and foreign brands (Bandyopadhyay et al., 2014). In the past years, consumer ethnocentrism and country of origin image have drawn much attention in academic research concerning the argument of country stereotyping (Bilkey and Nes, 1982; Shimp and Sharma, 1987; Sharma et al., 1995; Nguyen et al., 2008; Bandyopadhyay, 2014). Country of origin, illustrated by the “made in” informational cue, highlights the impacts that the country where the products are from has on consumers’ positive or negative judgements of the product (Ueltschy, 1998). If consumers have unreasonable preferences for domestic over foreign products, this is called consumer ethnocentrism. Thus, this study aims to apply the two concepts and explore their impacts on foreign product evaluation and purchase intention.

This country-stereotyping phenomenon seems to be more evident in the context of emerging countries, whereby foreign products are inclined to be of preference over their

domestic rivals. Several markets even experience a rejection to domestic goods of all kinds as they are considered as of inferiority and low quality. In Vietnam, a specific term, namely, “sinh ngoai”, has been coined to describe the consumers’ attitudinal bias for foreign brands. Thus, this study focuses on the concepts of consumer ethnocentrism and country of origin image in the emerging market of Vietnam. Several earlier studies have taken place in developed markets, to name a few, the United States (Shimp and Sharma, 1987) and the UK (Bannisters and Saunders, 1978) and in some emerging markets, for example, Poland (Cumberland et al., 2010) and India (Bandyopadhyay et al., 2014). However, not much research has touched on the Vietnamese situation. Nguyen et al. (2008) did a research on consumer ethnocentrism and purchase intention for Vietnamese made products in Vietnam, reporting a positive correlation between the two constructs. Yet, academic research focuses on both consumer ethnocentrism and country of origin is limited. As follows, this thesis tends to address the gap by examining consumer ethnocentrism and country of origin and their influences on product evaluation and purchase intention for foreign products.

Specifically, in terms of the market for apparel products, Vietnam can be considered to be a lucrative destination. It is predicted to value US\$4.2 billion by the year of 2017, according to Euromonitor International ([www.vietnam-briefing.com](http://www.vietnam-briefing.com)). Indeed, since the openness to international trade, Vietnam has welcomed heartedly a tremendous number of foreign brands entering the country with a view to getting a slice of the pie. Also, the increase in the middle income population has made Vietnam a market that is truly worth tapping for. Recently, Zara, a Spanish apparel retailer, made an exceptional debut in Ho Chi Minh City, the biggest commercial hub of Vietnam, achieving sales of VND 5 billion (\$246,000) on the first opening day, which has attracted much attention in the local apparel marketplace ([www.english.vietnamnet.vn](http://www.english.vietnamnet.vn)). Prior to Zara, many budget apparel brands, for example, Mango, GAP and Topshop, have launched their outlet stores on highly metropolitan streets in Hanoi, the capital city, and Ho Chi Minh City. Also, apart from the official business operation of the foreign apparel brands, it is relatively common in Vietnam that foreign apparel products are available via carry-on sellers, who resell

products bought overseas and brought into Vietnam via hand luggage and achieve significant profitability in the retailing segment ([www.tuoitrenews.vn](http://www.tuoitrenews.vn)). In contrast, domestic brands are struggling to maintain their ground in the marketplace, overshadowed by their foreign rivals. It is reported that merely 20% of the market share belongs to the Vietnamese brands ([www.english.vietnamnet.vn](http://www.english.vietnamnet.vn)). Thus, it is of critical importance to explore the differences in consumer attitudes for domestic brands and foreign brands, which might be influenced by consumer ethnocentrism and country of origin image. This paper aims to address this aforementioned issue.

In general, the thesis attempts to assess the impacts of consumer ethnocentrism and country of origin image on consumers' product evaluation and purchase intention for foreign brands in the Vietnamese apparel market. Furthermore, the paper will investigate the moderating effect of country of origin image on consumer ethnocentrism and foreign product evaluation. The paper will be concluded with the implications in international business, followed by limitations and suggestions for future research.

## ***1.2. Research Problem***

Today, Vietnam is shaping up as the next Asian battleground in the apparel industry. Together with the economic growth, Vietnamese consumers are now faced with more available choices of not only domestic brands but also foreign brands. Domestic brands are struggling to compete in their home ground ([www.english.vietnamnet.vn](http://www.english.vietnamnet.vn)). Meanwhile, the increasing arrivals of foreign brands have drawn attention amongst Vietnamese consumers. In the increasingly competitive nature of the Vietnamese market, international brands when entering a new market need to depend on consumers' attitude, perception and evaluation for foreign versus domestic products. In international marketing literature, myriads of academic researchers have observed attentively the consumers' preference concerning domestic products and their foreign counterparts (Shimp and Sharma, 1987; Cumberland et al., 2010; Bandyopadhyay et

al., 2014; Nguyen et al., 2008). Furthermore, given the nature of increased globalization and the widespread presence of “hybrid” products manufactured in multiple locations across the globe, the importance of the study of country of origin has now ever been intensified. In several countries, especially developed countries, there seems to be a preference for domestic products over foreign products. Shimp and Sharma (1987) initiated to explain this domestic preference theoretically, namely consumer ethnocentrism. Consumer ethnocentrism implies the moral perception that ethnocentric consumers view the tendency to purchase foreign products as inappropriate and unpatriotic, which negatively impacts the economic situation in the home country. Meanwhile, at the other end of the spectrum, non-ethnocentric consumers perceive foreign products regardless of whether they are originated from. As follows, it is argued that ethnocentric proclivities can result in a negative perception towards foreign products (Shimp and Sharma, 1987). Wall, Liefeld and Heslop (1991) contended that ethnocentricity would be strengthened when it comes to high-involvement products, including apparel products, which this thesis aims to focus on. It is believed by ethnocentric consumers that the upsurge in international apparel brands due to globalization can pose difficulties for existing domestic brands and more notably the domestic economy, which can lead to the increasing unemployment rate. However, the research on the impact of consumer ethnocentrism on apparel foreign brands has not drawn much attention.

Country of origin is another underlying concept that investigates the consumers' preference for domestic and foreign products. It functions as an extrinsic product cue, which can trigger particular consumers' attitude towards products from a particular country of origin (Bandyopadhyay et al., 2014). Together with consumer ethnocentrism, country of origin image can be potential challenges for international brands if they plan to penetrate a market outside of their home country. Several scholars have studied the aforementioned concepts in the consumer goods sector, kitchenware (Sharma et al., 1995), food (Ueltschy, 1998), design furniture (Cumberland et al., 2010), etc. and particularly apparel (Shimp and Sharma, 1987; Good and Huddleston, 1995;



Cumberland et al., 2010). However, the impact of country of origin might have on ethnocentric perception and product evaluation process remains questionable.

Furthermore, it is noted above that extensive literature has examined consumer ethnocentric and country of origin perception in the context of Western countries and particularly developed nations (Bannister and Saunders, 1978; Shimp and Sharma, 1987; Herche, 1992; Olsen et al., 1993; Klein et al., 1999). Despite several attempts to concentrate the concepts on developing markets (Good and Huddleston, 1995; Caruana, 1996; Cumberland et al., 2010; Bandyopadhyay et al., 2014), in general, the context of developing economies remains being overlooked. When it comes to the context of Vietnam, little attention has been put on investigating the influence of consumer ethnocentrism and country of origin (Nguyen et al., 2002; Nguyen et al., 2008). It is suggested in this thesis that further studies need to be conducted to examine ethnocentric tendencies and country of origin perception in Vietnam. Vietnam and Vietnamese people have a long-standing historic background against foreign invasion and, recently, show its openness to international trade to promote the domestic economy. Therefore, the researcher argues that the contextual environment of Vietnam can be the source for consumer ethnocentric and country of origin biased tendency. Thus, an overarching study of consumer ethnocentrism and country of origin in the Vietnam market is expected to highlight the theoretical and practical significance in terms of the particularly apparel products.

### **1.3. Research Question**

Regarding the research problem stated above, the research aims to answer the three following questions:

1. *How does the level of consumer ethnocentrism vary among demographic groups?*

2. *How does country of origin image influence consumer ethnocentrism and foreign product evaluation?*
3. *How does consumer ethnocentrism influence purchase intention for foreign products?*

#### **1.4. Research Objectives**

In general, this thesis seeks to provide a thorough understanding of the potential impact that consumer ethnocentrism might reflect on the consumption behavior. In today's business, the global consumer culture has given more access for businesses to step further on the international battleground. As noted earlier, for the past few years, Vietnam has massively welcomed the arrivals of international brands, particularly in the apparel industry, into its local marketplace. It is, therefore, imperative for both foreign brands, which are relatively new to the market, and domestic brands, which are well-established, to enhance their competitive advantages which would sustain their business in the long run. Despite the relevance and importance of addressing these issues, little research has modeled areas of inquiry that influence the consumers' perception towards foreign products. Thus, this thesis aims to address factors that are salient in the study of consumer behavior to better understand the situation in Vietnam from the perspective of foreign businesses. Particularly, this thesis touches on consumer ethnocentrism, country of origin, and the direct impact of consumer ethnocentrism on purchase intention and the indirect impact of consumer ethnocentrism on product evaluation through the moderator of country of origin.

This thesis, therefore, aims to fulfill three main objectives to address the proposed issues. The first objective is to examine the roles of demographic variables in determining the level of consumer ethnocentrism in Vietnam. Four demographic characteristics will be presented to investigate the relationship, including age, gender, income level and education level. The second objective is to determine the role of

country of origin in the relationship between consumer ethnocentrism and foreign product evaluation. Country of origin will be treated as a moderating variable whether it intervenes the proposed relationship of the two concepts. The third objective is to investigate the influence of consumer ethnocentrism on purchase intention. The purchase intention focuses on the Vietnamese consumers' purchasing behavior for foreign apparel products.

### **1.5. Structure of the Thesis**

In this section, the structure will be outlined to provide a coherent overview of the thesis and its main content. The thesis consists of six chapters, which are described as below.

The first chapter, *Introduction*, aims to introduce the topic and give the explanation why the topic is of high relevance in the study of international business and particularly emerging markets. Research problems, research questions and research objectives will be discussed in this chapter, followed by a short introduction of the definitions used in the thesis.

The second chapter, *Literature Review*, attempts to touch on previous scholarly articles, books and other sources with a view to developing the conceptual framework regarding the relevant concepts. The literature will present four concepts, including consumer ethnocentrism, country of origin image, product evaluation, and purchase intention and, more notably, the interrelationship between them. The chapter will also focus on the business environment in Vietnam and the consumption behavior of Vietnamese people.

The third chapter, *Methodology*, aspires to discuss the research method and research design which will be implemented in the thesis. The quantitative approach will be

presented. Furthermore, the design process of the research's instrument and relevant analysis tools will be elaborated on in this chapter.

The fourth chapter, *Findings*, concentrates on the findings of the empirical research based on the collected dataset. The sample characteristics regarding the respondents will be presented. The descriptive analyses of the four main concepts will be explained. The hypothesis testing that aims to provide answers for the proposed hypotheses will be discussed.

The fifth chapter, *Discussion and Analysis*, discusses the findings in more details. Furthermore, the chapter will provide possible explanation and discussions that are relevant to the findings.

The sixth chapter, *Conclusion*, concludes the thesis with the summary of the main findings, followed by the elaboration of the research's implications in international business. Finally, the limitations of the thesis and suggestions for future research will be proposed.

## II. Literature Review

The literature review is structured in six main parts. First, consumer ethnocentrism and the role of demographics on the construct will be discussed. Second, the paper will describe the concepts of country of origin. Third, the impact of country of origin on consumer ethnocentrism and product evaluation will be reflected. Fourth, the review will go further into consumer ethnocentrism and purchase intention. Fifth, the Vietnamese consumption context will be elaborated, followed by the analysis of Vietnamese consumer behavior patterns. Finally yet importantly, the literature review will be concluded with the conceptual framework among demographics, consumer ethnocentrism, country of origin, product evaluation and purchase intention for foreign brands.

### ***2.1. From Ethnocentrism to Consumer Ethnocentrism***

#### **2.1.1. Defining Ethnocentrism**

To further understand consumer ethnocentrism, ethnocentrism should be discussed as the broad concept of consumer ethnocentrism. Sumner (1906, cited in Sharma et al., 1995: 13) first coined the term more than a century ago. In his sociological literature, he provided a definition of ethnocentrism:

“the view of things in which one’s own group is the center of everything, and all others are scaled and rated with reference to it... Each group nourishes its own pride and vanity, boasts itself superior, exalts its own divinities and looks with contempt on outsiders.” (p.13)

In general, ethnocentric tendencies refers to inter-group relations, more specifically between ingroups and outgroups (Lewis, 1976). The theoretical argument is that

ethnocentric individuals have a tendency to associate themselves with ingroups and accept individuals who are culturally related while dissociating them from the out-groups and reject individuals who are culturally unrelated (Shimp and Sharma, 1987). Alternatively, ethnocentric perception specifies the particular dislike for other groups and the view of one's own group as more outstanding, more honest and stronger than others (LeVine and Campbell, 1972). However, the conceptualization of ethnocentrism is not readily applicable in studying consumer behavior, which led to the introduction of consumer ethnocentrism.

### **2.1.2. Understanding Consumer Ethnocentrism**

Consumer ethnocentrism is a marketing and domain-specific form of ethnocentrism. Originated by Shimp and Sharma (1987: 280), consumer ethnocentrism was described as, "the beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign-made products". From ethnocentric perspectives, consumer ethnocentrism represents consumers' biases towards the domestic products (i.e., ingroups) and against the foreign products (i.e., outgroups) (Shankarmahesh, 2006). For ethnocentric consumers, purchasing imports is perceived as inappropriate and unpatriotic, which negatively affects the domestic economy and increases unemployment. However, non-ethnocentric consumers consider the product's merits rather than its origins (Shimp and Sharma, 1987). For instance, ethnocentric Vietnamese consumers may view local brand clothing as of low quality and inferiority. However, they would still purchase local products due to their moral reasoning that subsequently the Vietnamese clothing industry might suffer. Nevertheless, non-ethnocentric Vietnamese consumers would make their purchasing decisions based on product attributes such as quality, price, trendiness and more. As a result, the ethnocentric view reflects beyond the functional roles of products and the product evaluations are based on moral perceptions (Yagci, 2001). Due to the rationale that foreign product purchases would

hurt the domestic economy, the level of consumer ethnocentrism is believed to significantly increase during the economic crisis (Ueltschy, 1998).

Sharma et al. (1995) elaborated on the nature of consumer ethnocentrism. First, the ethnocentric tendencies are caused by the concern for one's home country and for the negative impacts on the domestic economy due to imports. Second, it leads to the consumers' intention not to buy imported products of all varieties. As follows, consumer ethnocentrism can lead to the underestimation of foreign products and the overestimation of domestic products, which, in other words, indicate the positive evaluations and purchase intention for domestic goods (Sharma et al., 1995). Empirical findings of consumer ethnocentrism related research indicate that consumer ethnocentric tendencies result in product evaluations and purchase intention for foreign made products (Shimp and Sharma, 1987; Sharma et al., 1995; Nguyen et al., 2008; Cumberland et al., 2010; Bandyopadhyay et al., 2014). Herche (1992) performed a statistical analysis and concluded that ethnocentric tendencies can lead to positive purchase intention of domestic products. Wall and Heslop (1986) also contended that consumers appraise domestic goods more favorably. However, consumer ethnocentrism indicates the positive evaluations for domestic goods but might not necessarily lead to negative evaluations for foreign products (Bandyopadhyay et al., 2014). Yet Klein et al. (1999) and Sharma et al. (1995) found that consumer ethnocentrism can result in a negative intention to purchase foreign products.

### **2.1.3. CETSCALE**

Shimp and Sharma (1987) established the Consumer Ethnocentric Tendency Scale (CETSCALE) to measure the level of consumer ethnocentrism. CETSCALE aims to evaluate the intention to purchase domestic products and to what degree consumers feel against their morality to purchase foreign products (Ueltschy, 1998). The scale is not product specific, consisting of 17 standardized items regarding the purchase

intention for foreign made products in the consumer ethnocentrism dimension. CETSCALE is regarded to be relevant to international marketing, which proves to be one of the most used scales to evaluate ethnocentric tendencies in the study of consumer behavior. It was first validated in the context of the United States (Shimp and Sharma, 1987) and further across multiple countries, for example, Korea (Sharma et al., 1995), Colombia (Ueltschy, 1998), Poland (Cumberland et al., 2010), India (Bandyopadhyay et al., 2014). with the reference to multiple product categories such as cookies (Ueltschy, 1998), fashion clothes (Cumberland et al., 2010), etc. In this thesis, the CETSCALE will be adopted to examine the degree of consumer ethnocentrism among Vietnamese consumers in four dimensions of demographics: gender, age, income level and education level, which will be elaborated in the next section.

#### **2.1.4. Demographic Characteristics of Consumer Ethnocentrism**

On the empirical evidence of previous literature, consumer ethnocentric tendencies are part of demographic influences (Sharma et al., 1995). Demographics is one of the four factors, together with social-psychological, economic and political factors, which have impacts on consumer ethnocentrism (Shankarmahesh, 2006) The fact that consumer ethnocentrism is not equally on the same level for all consumers (Josiassen et al., 2011) poses challenges for researchers and particularly marketers to target each individual consumer. Accordingly, it is believed to be more effective to measure the ethnocentric tendencies to segment groups of consumers with similar demographic characteristics (Shankarmahesh, 2006). As follows, this paper focuses on demographics and its influences on consumer ethnocentrism in the Vietnamese consumption context.

There are four demographic characteristics, which are to be discussed below: age, gender, education level and income level.



## **Age**

Previous empirical literature has confirmed that the extent of consumer ethnocentrism varies with age groups. Older people are found to be generally more consumer ethnocentric, which they are less favorably inclined towards foreign products, while younger people exhibit less consumer ethnocentrism (Klein et al., 1999; Caruana, 1996). This argument can be explained by that older people display more patriotism and conservatism. (Ueltschy, 1998). Shimp and Sharma (1987) even claimed that older people should be more ethnocentric due to the fear of losing jobs from the foreign competition. Young people, however, appear to be more cosmopolitan and exposed more to foreign products, which leads to a more favorable tendency towards imports (Bannister and Saunders, 1978). Studies such as Sharma et al. (1995) and Ueltschy (1998), nevertheless, uncovered no direct impact of age on consumer ethnocentrism. In some research, older people are reported to evaluate foreign products more favorably (Bannister and Saunders, 1978). Given the literature, there are more support for the negative relationship between age and favorable foreign product evaluations, which leads to the hypothesis (H1a).

*H1a: Older Vietnamese people are more consumer ethnocentric than younger Vietnamese people.*

## **Gender**

Gender differences are also reported to act as a factor of consumer ethnocentrism. More particularly, several research papers concluded that women exhibit more consumer ethnocentrism than men (Wall and Heslop, 1986; Sharma et al., 1995). The argument is that female consumers are likely to be more conservative, collectivist and agreeable to established practices (Shankarmahesh, 2006). Bannister and Saunders (1978), contrary to other research, found that men are more ethnocentric than women. Other studies, e.g. Caruana (1996) found no significant impact that gender has on

consumer ethnocentrism. In this thesis, it is proposed that women attain a higher level of consumer ethnocentrism (H1b).

*H1b: Vietnamese women are more consumer ethnocentric than Vietnamese men.*

### ***Education Level***

Similarly, education level is also reported to impact the level of consumer ethnocentrism. There is a great consensus that supports the positive correlation between education level and consumer ethnocentrism (Sharma et al., 1995; Ueltschy, 1998). Studies including Sharma et al. (1995) and Ueltschy (1998) found that higher educated people exhibit less consumer ethnocentrism. This might be due to that fact people with higher education level embrace greater opportunities to travel abroad to experience foreign products. Han (1988) and Balabanis et al. (2001), nevertheless, confirmed there was no interactive relationship between the two factors. In general, higher educated people might evaluate foreign made products more positively, which leads to the hypothesis (H1c).

*H1c: Higher-educated Vietnamese consumers are less ethnocentric than lower-educated Vietnamese consumers*

### ***Income Level***

People with higher income are reported to exhibit less consumer ethnocentrism, which the relationship between consumer ethnocentrism and income level is expected to be negative (Sharma et al., 1995; Caruana, 1996; Ueltschy, 1998). The reasoning behind the argument is that high income consumers travel more, resulting in greater openness and cosmopolitan perceptions (Sharma et al., 1995), which consequently, they favor foreign products more than domestic products. However, Han (1988) observed and

contended that income level was not a significant predictor of consumer ethnocentrism, which mean that the increase in income level might not translate into the decrease in the level of consumer ethnocentrism. Because there were more support in research studies that higher income consumers exhibit less consumer ethnocentric tendencies than their lower income counterparts, which leads to the hypothesis (H1d).

*H1d: Vietnamese consumers with higher income are less ethnocentric than Vietnamese consumers with lower income.*

## **2.2. Country Of Origin Image**

Every product has a country of origin, which is given to the consumers through the “made in (name of the country)” label. Country of origin serves as an information and extrinsic cue (Bandyopadhyay et al., 2014; Bilkey and Nes, 1982). In most cases, consumers tend to evaluate the brand value based on intrinsic cues, or, in other words, primary brand associations with the products, for instance, packaging, colors and physical features (Keller et al., 2011). However, country of origin image, together with distribution channels, sponsorship, etc., can also serve as bases of product evaluation as extrinsic cues or secondary brand associations (Keller et al., 2011). The images link the brand to the secondary entity and create its own perceptions in the minds of consumers, which eventually leverage secondary brand associations and more notably brand equity (Keller et al., 2011). Consumers can reflect particular attitudes and evaluations towards a specific country of origin (Wu and Fu, 2007) and, therefore, help them make assumptions about product evaluations (Han, 1989). In certain cases, consumers perceive products of their home country of origin unreasonably more favorably than products of foreign counterparts (Sharma et al., 1995) and develop positive bias for domestic products. Such preference over one’s home country of origin is related to the concept consumer ethnocentrism. It also can be argued that consumer ethnocentrism is part of country of origin studies (Sharma et al., 1995). However, the

two concepts are not confusingly similar. Consumer ethnocentrism deals with the inclination for domestic products and a tendency not to buy foreign products due to moral reasoning. Country of origin image, differently, refers to a consumer bias towards a specific country of origin (Herche, 1992).

In the boom of ever-evolving internalization and global sourcing, more “hybrid” products are born, which they are manufactured in multiple locations (Bandyopadhyay et al., 2014). It is, as follows, often more complex to investigate the country of origin image because Zara is a Spanish brand but manufactures its apparels in Vietnam, China, Bangladesh and Cambodia. Several terms were proposed to apply instead of the traditional concept, including “country of manufacture”, “country of design” or “brand origin country” (Wu and Fu, 2007). In the example of Zara, even though the brand outsources the production, the brand is perceived as a Spanish brand because the brand is associated with the Spanish origin. Thus, it is argued that the brand origin country is a powerful differentiator for one brand over another as today both domestic and foreign brands have built and expanded their manufacturing presence beyond their home country’s borders. The brand origin country concept, initiated by Thakor and Kohli (1996), can enhance the brand equity proposition. However, despite the current situation, country of origin is still regarded as a concept with the most substantial impact on consumers’ consumption perception.

Country of origin literature has examined two dimensions of consumers’ stereotyped opinions of product origins. Bilkey and Nes (1982) argued country of origin can have either a summary effect or a halo effect. A summary effect relates to when consumers have past experiences with a country’s products. A halo effect represents the situation when consumers consider products based on their general impressions on a country. As follows, consumers’ stereotyped opinions for different products can vary and depends on the perceived reputation of that country to establish credibility (Yagci, 2001). For instance, consumers associate chocolate with Belgium, wine with France, cars with

Germany and electronic equipment with Japan. Furthermore, country of origin might have a greater bias on product evaluation and intention to purchase high involvement products due to the nature of higher purchase risks (Yagci, 2001; Bandyopadhyay et al., 2014). High involvement products could be fashion, complex technology or expensive products. (Wall, Liefeld and Heslop, 1991). Consider a low-involvement and high-involvement purchasing decision – say, a loaf of bread and a piece of clothing. Consumers buy bread on a regular basis as soon as they recognize the need without planning and evaluating alternatives. However, when it comes to a piece of clothing with a higher price tag, such products are not regularly purchased and have a higher risk if failed. Consumers then need to extensively compare different attributes of the clothing products, including country of origin, to make their decisions. As follows, for example, when to choose Italian or American clothing brands, consumers might value Italian brand as Italy is associated with a more reputable country of origin image in the fashion category.

### ***2.3. The Influence of Country of Origin on Consumer Ethnocentrism and Product Evaluation for Foreign Products***

Earlier studies have well documented the relationship between consumer ethnocentrism, country of origin and product evaluation (Yagci, 2001; Cumberland et al., 2010; Bandyopadhyay et al., 2014). Thus, it is noteworthy to understand how consumers with ethnocentric or non-ethnocentric tendencies may develop foreign product evaluations given the country of origin cue. Product evaluation is defined as a judgement of a certain product based on consumers' perceptions. There are extrinsic and intrinsic cues, which actively affect their perceptions, and help create a thorough product evaluation in the minds of consumers. As consumer ethnocentrism is the moral reasoning that consumers believe in the inappropriateness to buy foreign products, ethnocentric consumers might evaluate them negatively. Country of origin, which has mentioned above, serves as an extrinsic cues to develop perceptions of product

attributes (Nguyen et al., 2008). A high country of origin image can lead to positive product evaluations (Wu and Fu, 2007). For instance, Vietnamese consumers value Korean cosmetics and beauty products more favorably. Supposedly, highly ethnocentric Vietnamese consumers should have negative product evaluations for Korean products. However, they might still evaluate them positively as the products are associated with Korea as a high country of brand origin image. Cumberland et al. (2010) contended that country of origin, which is country of brand origin in this research, could stimulate ethnocentric and/ or non-ethnocentric views which consequently have a strong impact on product evaluations.

In this thesis, country of origin concept is used as a moderator to determine the influence of consumer ethnocentrism on product evaluations. As follows, it is hypothesized that there is a positive relationship between consumer ethnocentrism and product evaluations for foreign products given high country of origin perceptions (H3).

*H2: Product evaluation for foreign products is negative influenced by consumer ethnocentrism. With a high country of origin image, product evaluation for foreign products are positively influenced by consumer ethnocentrism.*

#### **2.4. The Influence of Consumer Ethnocentrism on Purchase Intention for Foreign Products**

Purchase intention refers to the readiness and willingness to buy a certain product or service. Purchase intention prompts consumers to make a purchasing decision to fulfill their needs. It is a key concept in the consumer decision-making process, which cover important meanings: “willingness to consider buying”, “buying intention in the future” and “decision of repurchase” (Rahman et al., 2012). As a predictor of following purchases, purchase intention is influenced by both ethnocentric tendencies and product evaluation

for foreign products (Klein et al., 1998). It is discernible that if consumers perceive foreign products more favorably than domestic products, the purchase intention for foreign products will be stronger as a consequence. It leads to the argument that if consumer's product evaluation is positive, the purchase intention of foreign products is positive. Han (1988), Herche (1992), Olsen et al. (1993) and Klein et al. (1998) claimed that consumer ethnocentrism results in the positive purchase intention for domestic products. That is to say, the higher the ethnocentric tendencies are, the more likely consumers purchase domestic products. Because this research focuses how consumer ethnocentrism shapes the intention to purchase foreign products, the relationship between the two constructs is expected to be negative (H3).

*H3: Purchase intention for foreign products is negatively influenced by consumer ethnocentrism.*

## **2.5. Vietnam as the Market of Interest**

### **2.5.1. Vietnam and Internationalization**

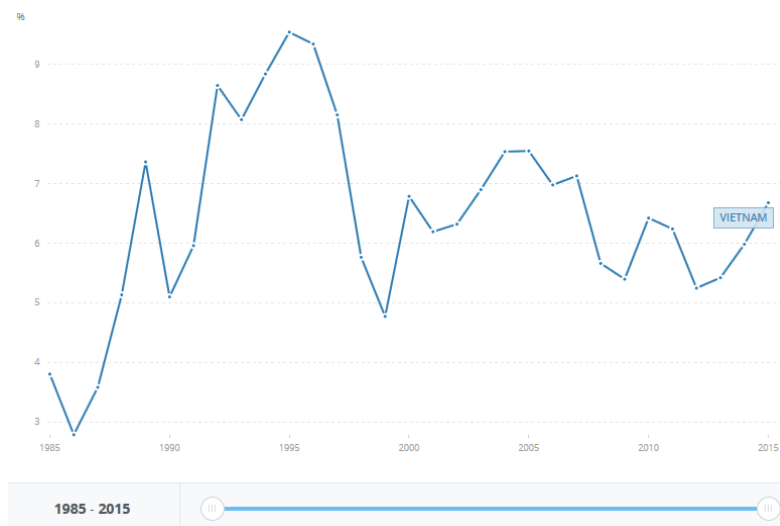
Vietnam is a tropical country located in Southeast Asia, populated with more than 90 million citizens in 2016. The majority of population is in two biggest cosmopolitan cities, Hanoi and Ho Chi Minh City. Both cities represent major demographic, political and commercial backgrounds in the country. Hanoi, which is the capital city, is located in the Northern Vietnam. Ho Chi Minh City, which is the biggest commercial center, is in the Southern Vietnam.

After nearly a century under the French colonization and decades of the Vietnam War, Vietnam was officially unified and declared its complete independence as the Socialist Republic of Vietnam. Vietnam's warfare against the foreign invasion and civil war had resulted in massive loss of life, physical and psychological injuries, severe destruction of

the infrastructure and war-torn economy. As the consequence, the newly unified Vietnamese government faced several challenges, which are to recover the economy from the devastation and, in the long run, to strengthen its economic integration. The attempt was further promoted by introduction of a radically political and economic reform campaign in 1986. It was named “Doi Moi” (Change and Newness) to respond to the post-war efforts to reinforce its economy and to create a socialist oriented market economy. The “Doi Moi” policies include the decentralization of the authority in management and the recognition of private sectors as a significant role in commodity production. Following the reform, Vietnam made a great attempt to restructure its foreign policy which the country is more open to external relations accelerated by export orientation (Chaponnière et al., 2008). In 1994, the trade embargo that the United States had put on Vietnam was lifted. In the following year, Vietnam gained its membership in the Associations of Southeast Asian Nations (ASEAN). In the year of 1998, Vietnam also joined the Asia-Pacific Economic Cooperation forum (APEC). As a result, Vietnam has been opening up to foreign investments to broaden economic opportunities.

**Figure 1.** Vietnam’s GDP Growth (Annual %)

(Adapted from: The World Bank Data, 2015)





With a focus on the market economy, Vietnam has experienced a rapid economic growth and internationalization and successfully transformed the country from one of the poorest to lower middle-income country. According to the World Bank Data (2015), Vietnam's GDP growth rate in 2015 is 6.7%, compared to the rate of 2.8% in 1986 (Figure 1). The increase has resulted in the increasing middle class population with the growing monthly average income of VND 15 million (US\$714) or more. The population is expected to be doubled between 2014 and 2020, which is believed to grow the fastest in Southeast Asia according to an article entitled "Vietnam's Middle Class Projected To Double By 2020".

In general, Vietnam's strategic location in Southeast Asia together with the country's openness to international trade and direct foreign investment, and the boom of the middle class population has made Vietnam an attractive destination for foreign brands, especially in the apparel retailing industry.

### **2.5.2. The consumption behavior patterns of Vietnamese consumers**

This thesis focuses particularly on the Vietnamese consumption context on the basis of Vietnam's substantial economic growth and the increasing middle and urban class population. As follows, it is notable to understand the consumption behavior patterns among Vietnamese consumers in the era of internationalization.

The urban and middle class consumers are believed to take an active role in the new culture of consumption behaviors. Their product choices are becoming more sophisticated as Vietnamese consumers are now more exposed to both domestic and foreign brands. Interestingly, urban Vietnamese women aged 20-45 have spent more on apparel products, accounted for 18% of their monthly income (Lee and Nguyen, 2016). Moreover, the consumers' values and attitudes have changed significantly. Nguyen and

Smith (2012) have confirmed the positive impact of status orientation and conspicuous consumption on purchase intention for foreign products. They are more inspirational in purchasing foreign brands, especially Western brands. Also, they tend to interpret foreign brands with symbolic meanings rather than the economic and physiological utility of products (Pham and Richards, 2015). The increasing middle-income population and also the increasing young and urbanized population can explain this argument. The CIA World Factbook reported that 16.69% and 45.22% of the Vietnamese population are aged 15-24 and 25-54 respectively. Thus, young population experiencing higher living standards and a fundamental change in the income distribution is having more disposable income to spend on consumer goods, particularly apparel products. Consumers still prioritize to channel their spare cash into savings to save on household expenses. Yet they are also willing to spend more on leisure activities and consumer goods. According to Nielsen (2016), four out of ten Vietnamese consumers want to spend their cash on holidays and vacations (38%), new clothes (38%), out of home entertainment (34%), technology products (32%) and home decorations (31%). In addition, foreign brands in the perception of Vietnamese consumers are attached to luxury products as of high quality, uniqueness and attractiveness. For example, Western apparel products are associated with high fashion, high quality and high social status. Vietnamese consumers consider them to bring comfort, convenience and a modern image that satisfy their identity needs. They are, at some points, price conscious; however, price is no longer the main concern in their product purchases. With the increasing average income, middle class consumers have shifted their purchasing behavior from a price orientation to value orientation (Speece, 2002) and can now afford to buy foreign brands as they want better quality, value and identity (i.e. product evaluation) that foreign products can bring to them.

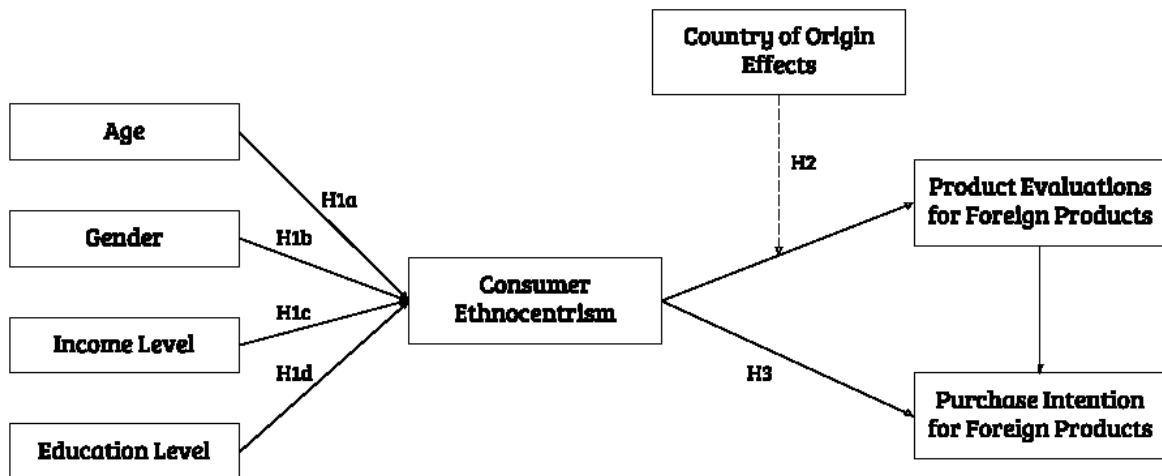
Related to the argument, consumer ethnocentrism and country of origin may play critical roles when it comes to product evaluations in the hearts and minds of Vietnamese consumers. It is necessary to assess whether the foreign product preference is related to the low level of ethnocentrism or if consumers place a high concern for country of

origin in the product purchases. As such, it is of the high importance to evaluate the importance of these mentioned concepts in the Vietnamese consumption context.

## 2.6. Conceptual Framework

The literature review consists of consumer ethnocentrism and its demographic characteristics, country of origin image, product evaluations and purchase intention. The conceptual framework, which guides their hypothesized relationships, is proposed in Figure 2.

**Figure 2.** Conceptual Framework



In summary, consumer ethnocentrism, as previously defined, varies with demographic influences including age, gender, income level and education level. Therefore, the hypothesis H1 proposed aims to examine the correlation between the consumer ethnocentrism and demographics. In terms of H2, consumer ethnocentrism is hypothesized to influence negatively foreign product evaluation. However, given a high country of origin image, consumer ethnocentrism influences foreign product evaluation favorably. The hypothesis H3 addresses the negative impact that consumer ethnocentrism is proposed to have on purchase intention for foreign products.

In the next section, the research design and method will be elaborated in more details.

### III. Methodology

This chapter attempts to elaborate on the methodology adopted to test the proposed hypotheses. Three major hypotheses have been constructed based on the review of previous literature, which are clearly shown in the conceptual framework in Figure 2. The chapter is outlined in five main sections: research design, survey instrument development, sample and data collection, methods of data analysis, and validity and reliability.

#### ***3.1. Research Design***

Given the complexity of the correlation between the variables of interest, a quantitative data analysis was selected with the use of statistical models to describe and measure the proposed relationship among variables. In this thesis, to study the consumer behavior among Vietnamese people and the interrelationship among the five variables of interest, say, demographics, consumer ethnocentrism, country of origin image, product evaluation and purchase intention, the collected data is expected to 1) produce objective and concrete findings, 2) test the proposed hypotheses and 3) generalize the findings. With the intent to satisfy the aforementioned requirements, it is believed that the quantitative approach is best suited to analyze the data. First, to generate meaningful results, a survey research was employed, which serves as the basis of data collection. In more details, the survey research makes use of the quantitative or, simply, mathematical values of variables that can be easily compared with each other, to study the relationship, which the results are presumed to be more reliable and objective. Second, in this thesis, the quantitative approach was utilized to look at the interrelationship among the five variables of interest. By collecting and scrutinizing the quantitative data, a selection of statistical models were adopted to examine the collected data, which, thus, serves to test the proposed hypotheses. Third, by assuming the sample is the representative of a population, the quantitative data is expected to

interpret variables statistically with numbers and, more importantly, to generalize and replicate the findings in terms of the behaviors and opinions of the entire population (Creswell, 2013). Thus, it is expected, in this thesis, the quantitative approach based on the hypotheses can deliver the generalization of the findings and, in a larger scope, help better understand the consumption behavior context in Vietnam.

### **3.2. Survey Construct Development**

In this research, the variables of interest will be measured using established scales from previous studies. There are four primary constructs to test the proposed relationships among hypotheses: consumer ethnocentrism, country of origin image, product evaluation and purchase intention. It was proposed that consumer ethnocentrism varies with demographic factors (age, gender, income level and education level) (H1) and negatively correlates with purchase intention for foreign products (H3). Country of origin was hypothesized to interfere with the correlation between consumer ethnocentrism and foreign product evaluation (H2).

#### **3.2.1. Consumer Ethnocentrism**

As mentioned in the literature review concerning consumer ethnocentrism, CETSCALE was constructed to examine the degree of consumer ethnocentrism and has been validated across several contexts (Shimp and Sharma, 1987; Sharma et al., 1995; Ueltschy, 1998; Yagci, 2001; Cumberland et al., 2010; Bandyopadhyay et al., 2014). The CETSCALE consists of 17 items that focus on the consumers' tendency towards domestic products, which serves to provide explanation for the preference of domestic products over foreign ones. The 17 items in the CETSCALE touches on four different aspects: preference for domestic products, domestic employment support, national pride and negative attitude towards foreign products. Based on the 17 items, respondents

hereby describe their viewpoints on whether it is reasonable to purchase foreign made products (Shimp and Sharma, 1987). In this thesis, the 17-item CETSCALE is applied with references to Vietnam to examine the interrelationship between consumer ethnocentrism and other variables of interest, demographics and purchase intention. Also, the scale was utilized to test the moderating variable, country of origin image. The items are listed in Appendix 1. The respondents then answered by choosing the option that best describes the extent of their agreement on a 5-point Likert scale attached with 1 = Strongly disagree and 5 = Strongly agree.

### **3.2.2. Country Of Origin Image**

The research applied a 9-item, 5-point bipolar adjective scale to measure the the respondent's country of origin image toward South Korea, Japan and the United States. As mentioned above, the three countries were selected because they are commonly perceived as high country of origin images in the minds of Vietnamese consumers. The country of origin scale is adopted from previous research (Papadopoulos, Marshall and Heslop, 1988) and successfully tested in several studies (Li, Fu and Murray, 1997; Laroche et al., 2005; Carter, Jr., 2009). More importantly, the scale was selected because it evaluates the country of origin perception based on country-specific and multi-dimensional measures, which other scales failed to reach this criterion (Carter, Jr., 2009). The scale tends to examine three aspects of country-related items: country beliefs, people affect and desired action (See Appendix 2). In the dimension of country beliefs, the scale focuses on the respondents' opinions towards the economic, industrial technological development towards the country of interest. In the dimension of people affect, the scale includes the items which can stimulate the affective responses towards the people in the country of interest, and, in more details, refers to the people, likeliness, trustworthiness and hard work. In the last dimension, desired interaction, the scale reflects on how respondents think of building the economic relationship with the country of interest. The respondents then marked the extent of their agreement on a 5-point

bipolar scale. The nine items of the scale were reverse coded in SPSS for the purpose of the thesis to test the moderating effect of country of origin image.

### **3.2.3. Product Evaluation**

The thesis employed a 6-item scale (See Appendix 3) to measure product evaluation for foreign products, which is adopted from previous research (Klein, Ettenson and Morris, 1998; Carter, Jr., 2009). Product evaluation reflects on how consumers assess the product based on their cognitive perception. The six-item scale employed in this thesis touches on respondents' opinion towards different aspects of a foreign made products, for example, the product quality, workmanship, use of color and design, technological development, reliability, durability and the monetary value. Furthermore, respondents expressed their agreement on a 5-point Likert scale in terms of the evaluation for apparel products in three countries of interest, Korea, Japan and the United States to be consistent with the analysis of country of origin image. The items were reverse coded in SPSS concerning the items related to the lower quality (i.e. the second item), unreliability and undesired durability (i.e. the fifth item) and the usually not good value of money (i.e. the sixth item), which indicate the negative product evaluation towards foreign products. The other items, which illustrate the positive evaluation, remained the same in SPSS.

### **3.2.4. Purchase Intention**

The 6-item scale adopted from research studies (Klein, Ettenson and Morris, 1998; Carter, Jr., 2009) is applied to measure the purchase intention for foreign products with references to Vietnam and the apparel product category. The items in the scale concentrate on the respondents' attitude in terms of a foreign product purchase. Similar to the country of origin and product evaluation scales, apparel foreign products were



chosen from three countries of interest, South Korea, Japan and the United States. The 5-point Likert scale was used, as the respondents chose the best option in terms of the extent of their agreement. Appendix 4 illustrates the scale in more details. The items in the scale were reverse coded in SPSS, which they indicate the negative purchase intention for foreign products and, therefore, serves to test the negatively expected correlation between consumer ethnocentrism and purchase intention.

### **3.3. Data Collection**

#### **3.3.1. Product and Foreign Countries Selection**

The research focuses on apparel products imported from three countries: South Korea, Japan and the United States. These countries are among the leading sources of imports in Vietnam. Also, for the purpose to test the hypothesis 2, these countries are selected because they are perceived as high country of origin images from the perspective of Vietnamese people. The image of Japan is associated with high quality, trust and worth paying (Q&Me, 2016). Consumers regard the image of Korea with fashion, prettiness, and good design (ibid). When it comes to the image of the United States, there is not concrete information on how the Vietnamese view American products. However, as I have argued in the literature review regarding the consumption behavior patterns of the Vietnamese, due to the increasing exposure in terms of Western lifestyle and especially American lifestyle, Western products enjoy a reputation of high fashion, high quality and high social status. Thus, it is assumed that Vietnamese people are likely to purchase the apparel brands that have been demonstrated through books, movies and TV shows. In Vietnam, a wide variety of South Korean, Japanese and American brands within this product category has operated in several cities and provinces, mostly in Hanoi and Ho Chi Minh City. A few examples of the apparel brands are Stylenanda (Korea), Uniqlo (Japan) and Calvin Klein, GAP (the United States), to name a few. Apparel product category was chosen because, as mentioned in the previous chapter concerning country of origin image, it can be listed within the high-involvement product categories,

therefore, stimulates consumer ethnocentric tendencies and country of origin perceptions.

### **3.3.2. Survey**

The survey was first constructed in English. The researcher then translated it into Vietnamese and back into English. Two Vietnamese who are fluent in both English and Vietnamese were asked to proofread the translation to assess and make sure the all scale items and questions were correctly expressed. The researcher's supervisor also validated the English version. The researcher employed Qualtrics - a web-based survey provider - to develop the survey layout and content. The survey was then administered to around 200 Vietnamese consumers living in the capital city, Hanoi, and the country's financial and business centre, Ho Chi Minh City. The survey was distributed to Vietnamese consumers on social media such as Facebook and word-of-mouth. The shared invitation included the research purpose and a link associated with the survey. Respondents would click through the link and be navigated to the survey layout on the Qualtrics site. The survey was open for 12 days from February 26 2017 to March 9 2017. After 12 days, the Qualtrics database recorded the responses from 101 participants. Of these, there was none of the responses eliminated due to missing data. As follows, the effective sample size was 100% and the response rate was 50.5% (101 of 200).

### **3.4. *Methods of Data Analysis***

This section attempts to explain the statistical methods used to analyze the data. IBM SPSS Statistics 23 was employed to perform the data analysis. Data collected from the survey was converted into SPSS Statistics, which each variable was assigned with a code name. After the process of coding the variables into SPSS Statistics, the statistical

analyses were executed as follows. First, the independent sample t-test was utilized to measure means and statistical significance for the purpose of the hypothesis H1. Second, the moderated multiple regression was adopted to analyze the moderator effect of country of brand origin in terms of the relationship between consumer ethnocentrism and foreign product evaluation. Third, the Pearson's correlation coefficient was measured to test the negatively expected impact of consumer ethnocentrism on purchase intention for foreign products.

In this research, it is worth noting the measurement scale for data. The five value Likert scale, including strongly agree, agree, neither agree nor disagree, disagree, and strongly disagree, was treated as an ordinal variable. The bipolar adjective rating scale was constructed as an ordinal variable. In terms of demographic variables, nominal variables were to classify age, income level and education level while gender was treated as a dichotomous variable. However, when coded into SPSS Statistics, for the purpose of the hypothesis H1, age, income level and education level were treated as dichotomous variables. These variables are classified into two groups, which are young people versus old people (age), higher income people versus lower income people (income level) and higher educated people versus lower educated people (education level).

Specifically, regarding the hypothesis H2, the high country of origin image regarding the three countries (Japan, Korea and the United States) was determined by comparing the means of the three-country image related data. The descriptive statistics, which indicate the mean values in terms of the respondents' opinion towards three countries of interest (South Korea, Japan and the United States), are shown in Table 1. As demonstrated in the results, Japan with the highest mean ( $\mu = 4.3138$ ), indicating the highest country of origin image, was selected to test the hypothesis H2.

**Table 1.** Mean and Standard Deviation of  
Country of Origin Images

	N	Mean	Std. Deviation
South Korea	101	3,8218	,52260
Japan	101	4,3138	,53362
United States	101	3,8548	,58684
Valid N (listwise)	101		

### **3.4.1. Independent-Sample T-Test**

The independent-sample t-test is a statistical analysis, which aims to compare the means between two unrelated groups. In this research, the test was selected to explore the relationship between consumer ethnocentrism and demographics (age, gender, income level and education level). Before conducting the test, the data collected should meet four assumptions.

First, the dependent variable i.e. consumer ethnocentrism should be measured as a continuous variable. As mentioned above, the 17 item CETSCALE was conducted on a Likert scale treated as ordinal variables, which might fail the assumption. However, because the test is to study the mean values of two groups, the mean value of consumer ethnocentrism calculated using SPSS Statistics, as a result, is measured on a continuous scale. Second, the independent variable i.e. the demographics should include two categorical and independent groups. All four demographic variables successfully meet the requirement of this assumption because when coded into SPSS, they were classified as two independent groups. The variables are gender (male and female), age (18-39 years old and over 39 years old), education level (lower education and higher education) and income level (below VND15 million and over VND15 million). Third, the dependent variable should be normally distributed, using the Kolmogorov-

Smirnow Test and the Shapiro-Wilk Test in SPSS Statistics to assess the normality. However, statisticians nowadays does not recommend to do the tests because if the two-step measurement is used, the significance level can be distorted (Zimmerman, 2004). Fourth, the two independent cases should be homogeneity of variances, which can be tested by Levene's test in SPSS Statistics. If the p-value is reported to be greater than the significance level  $\alpha = 0.05$ , the variances are almost equal. The results from Levene's test will be explained in the next section when testing the hypothesis H1.

### **3.4.2. Moderated Multiple Linear Regression**

In order to test the hypothesis H2, a moderated multiple regression analysis is conducted. The regression analysis is the most used statistical method to measure the linear relationship between two or more variables. When more than one independent variable is tested, a multiple regression analysis is applied. In this study, consumer ethnocentrism is an independent variable and country of origin is examined whether there is a moderation effect that is also treated as an independent variable. The moderation is to determine whether the relationship between two variables depends on a third variable. The moderated multiple regression is a more complicated version of a multiple regression which includes an interaction term. The interaction term is the product of the two main effects, which are consumer ethnocentrism and country of origin. It is calculated by multiplying the means of consumer ethnocentrism and the means of country of origin (Japan).

With the moderated multiple regression, the general form can be written as:

$$Y_i = b_0 + b_1X_{1i} + b_2X_{2i} + b_3X_{3i} + e_i$$

and:  $X_{3i} = X_{1i} * X_{2i}$

where:  $Y_i$  is the dependent variable

$X_i$  are the independent variables

$X_{3i}$  is the interaction term

$b_0$  is the constant term

$b_i$  are the coefficients of independent variables

$e_i$  is the residual term

The moderated multiple regression analysis is used to examine if country of origin works as a moderator which interferes with the correlation between consumer ethnocentrism and product evaluation for foreign products. To evaluate the relationship, the following multiple regression is estimated simultaneously with the previous regression:

$$Y_i = b_0 + b_1X_{1i} + b_2X_{2i} + e_i$$

where:  $Y_i$  is the dependent variable

$X_i$  are the independent variables

$b_0$  is the constant term

$b_i$  are the coefficients of independent variables

$e_i$  is the residual term

### **3.43.3. Pearson's Correlation Coefficient**

The Pearson's Correlation Coefficient is adopted to measure if there is statistical evidence for a linear relationship between two continuous variables. It produces a sample correlation coefficient,  $r$ , to test the strength and the direction of the relationship. In this thesis, the test is employed to examine whether there is a statistically significant linear correlation between consumer ethnocentrism and purchase intention for foreign

products (H3). Before running the test, there are the following assumptions which need to be fulfilled.

First, the variables are continuous on an interval or ratio level. The variable “Consumer ethnocentrism” is a continuous measure of consumer ethnocentrism and exhibits a range of values from 1.29 to 4.76. The variable “Purchase Intention” is a continuous measure of purchase intention and exhibits a range of values from 1.00 to 4.25. Second, the variables are normally distributed. However, as mentioned above, it is not suggested to evaluate the normality of variables because it would distort the significance level. Third, the variables are independent of observations. The assumption indicate that the values for the variables are unrelated and do not influence the values for other variables. Fourth, there is no significant outliers. The variables for both consumer ethnocentrism and purchase intention were constructed on a Likert scale, which ranges from 1 to 5. This leads to the point that outliers were removed entirely at the phase of the questionnaire design.

In the output, the possibility of a statistically significant linear relationship is established if the two-tailed significance is significant against the predetermined significance level of 0.05 or 0.01, which will be marked clearly in the SPSS Statistics. The direction of the relationship depends on the Pearson correlation value.

### ***3.5. Validity and Reliability***

In an attempt to ensure the quality of the study, it is notable to evaluate the validity and the reliability. Validity refers to how well the instrument i.e. the survey performs the work to which extent the instrument measures the right concept. Reliability refers to what extent the research produces consistent findings that are applicable under different circumstances.

There are three forms of validity, which are to be discussed in this thesis: content validity, criterion validity and construct validity. In terms of content validity, a research is content valid when the measurement instrument (i.e. the survey) represents the construct which aims to be measured (Haynes et al., 1995). The content in the survey in this thesis is relevant because it focuses on the specific constructs of consumer ethnocentrism, country of origin image, product evaluation and country of origin, which are fairly complex. For example, the construct of country of origin image in the questionnaire is measured using a multi-dimensional approach. Its content validity can be established by adopting the 9-item scale developed by Papadopoulos, Marshall and Heslop (1988) which includes three components: country beliefs, people affect and desired action. In terms of product evaluation, as another example, product evaluation is examined using a six-item scale developed by Klein, Ettenson and Morris (1998), which touches on three dimensions of evaluation: price, quality and value; thus, the content validity is established. In assessing these four constructs, a 5-point Likert scale is adopted, which higher scores mean the higher extent to the respondents' agreement, which the responses are coded as nominal variables. As follows, the survey can be said to be content valid based on the aforementioned arguments. Concerning criterion validity, it indicates the use of criterion to create a new measurement procedure to measure the construct of interest (Haynes et al., 1995). Although this thesis adopts well-established scales that has been widely presented and tested, this thesis remains the original scales to test the constructs without changes. For instance, to study the construct of consumer ethnocentrism, the researcher employed the CETSCALE developed by Shimp and Sharma (1987), which consists of 17 items. However, the content of the survey was altered when translated from English into Vietnamese to reach a wider variety of audience in Vietnam due to the fundamental differences in the two languages. In this case, to ensure criterion validity, the translated survey was executed by the researcher and an English fluent person and pre-tested by two individuals to suggest changes in the survey. When it comes to the construct validity, it assimilates other forms of validity to comprehensively evaluate the validity of the



measurement instrument (Goodwin, 2009). The validity is established in case that the questions in the instrument are representative of the construct of interest (content validity) using the existing scale to measure the construct (criterion validity) (ibid).

In terms of reliability, reliability is a measure of consistency and repeatability. Simply put, if the measurements are repeated over times, they can still yield consistent results. To enhance the reliability, it is suggested that more questions measuring the same concept should be included, the sample size should be larger and clear descriptions of the questions should be stated (Field and Hole, 2003). Random errors can occur together with attitudinal questions, which might change following the respondents' mood at the time doing the survey. To mitigate the possibility of random errors and enhance the reliability of the measurement instrument, the researcher applied well-established scales that cover different perspectives to measure the concept. For example, the country of origin scale deals with three dimensions, country beliefs, people affect and desired action. Furthermore, in the product evaluation scale, there were both positive and negative statements, which could prevent the respondents' bias in favor of one side. The statements then would be reversely coded to be neither positive nor negative in SPSS to ensure the reliability of the findings.

In addition, in this thesis, the internal consistency reliability is adopted to verify the reliability of the applied scales. Including, the Cronbach's alpha is the most prevalent measure of internal consistency. If the Cronbach's alpha value is higher than 0.7, which is considered to be the cut-off point, the scale will have acceptable to excellent internal consistency. In this thesis, the reliability of each scale is measured using SPSS Statistics. According to Table 2, the 17-item CETSCALE demonstrates the Cronbach's alpha value of 0.850, which implies a high level of internal consistency. Thus, it can be argued that CETSCALE taps into the construct of consumer ethnocentrism among respondents. In the case of other scales, after they were reversely coded in SPSS, the coefficient values are 0.863 for the 27-item country of origin scale, 0.794 for the 12-item

purchase intention scale and 0.730 for the 18-item product evaluation scale, which are above the cut-off point of 0.7. In general, the reliability of the scales that measure the concepts of interest is established. Table 2 summarizes the findings of the reliability analysis.

**Table 2.** Reliability Analysis

<b>Constructs</b>	<b>Cronbach's Alpha</b>	<b>N of items</b>
Consumer Ethnocentrism	0.850	17
Country of Origin	0.863	27
Purchase Intention	0.794	12
Product Evaluation	0.730	18

## IV. FINDINGS

The chapter will present the results of the performed statistical analyses based on the collected data. The chapter is structured in two sections. First, the research will elaborate on the sample characteristics. Second, the hypothesis testing will be explained in more details.

### ***4.1. Sample Characteristics***

For the purpose of the study, which is to examine the consumer behavior towards foreign apparel brands in Vietnam, there are two criteria which needs to be fulfilled in order to produce meaningful findings. First, the respondents must be Vietnamese citizens. They also have to live in two suburban cities, Hanoi and Ho Chi Minh City. Second, the respondents must be aware of apparel brands, especially from South Korea, Japan and the United States.

The sample size of the study which is recorded in the database that meet the above criteria is 101 responses, of which 36 are male (35.64%) and 65 are female (64.36%). The respondents are predominantly aged from 18 to 29 (73 responses, 72.28%) while others are between ages 30 to 39 (15 responses, 14.85%) and 40 to 64 (13 responses, 12.87%). None of the respondents was recorded to be over 65 years old. For the purpose of the study, respondents aged 18 to 39 are classified as young people (87.13%) while people aged 40-64 and over 65 are grouped as old people (12.87%). Due to the disproportionate number of respondents, which are relatively too large for young people, it reflects the dominance of young people and, as a result, might distort the significance of the findings.

In terms of education level, the largest pool of respondents is attending higher education. Of 101 respondents, 42 people (41.58%) are in some college and five people

(4.95%) are having some postgraduate work. A number of 24 respondents (23.76%) is recorded to have graduated from college, while seven of them (6.93%) hold postgraduate degree. 5 out of 101 respondents (4.95%) have trade/ technical/ vocational training. 17 respondents (16.83%) are high school graduate and only one person (0.99%) who is having high school education. Since the study attempts to analyze the difference in the education level, respondents who are college students, college graduates, postgraduate students and postgraduates are grouped as higher-educated people (77.22%) while the lower-educated people include high school students, high school graduates and trade/ technical/ vocational trainees (22.77%). Similar to age, there are an unequal distribution of the respondents' education, with the proportion is significantly skewed towards higher educated people. This can result in the misleading account of the nature of the correlation between consumer ethnocentrism and education level.

As for the income level, most of the respondents are earning less than VND5 million (US\$219) a month (41 responses, 40.59%). 23 people (22.77%) are recorded to have their monthly income between VND5 million and 10 million (USD\$438). In addition, 15.84% of the respondents (16 responses) have their income between VND10 million to 15 million (USD\$714). A proportion of 8.91% (9 responses) earn between VND15 million and 20 million (USD\$877) on a monthly basis. The rest of the respondents (12 responses, 11.88%) have their income of VND 20 million and over. As mentioned in the literature review chapter regarding the consumption behavior among Vietnamese consumers, the middle class population is increasing significantly, with the average income of VND15 million (US\$714) or more. Thus, in this study, respondents who earn more than VND15 million are grouped as people with higher income (79.2%) while whoever earn less than VND15 million are grouped as people with lower income (20.79%). The under-represented number of higher income people might be explained by the majority of respondents are university students, who are aged below 30 years old and depend on their family for financial support. The recorded number of respondents,

as a result, might serve improperly as the representative of the sample to produce meaningful findings.

In general, the sample consists of prevalently younger, higher-educated Vietnamese consumers with lower than average income level. Thus, the sample characteristics imply an insufficient demographic variability of respondents by age, income level and education level, which might result in biased and misleading impression on the statistical findings. For details, the summary of the sample characteristics regarding demographics (age, gender, education level and income level) is shown in the Table 1: Sample characteristics.

**Table 3.** Sample Characteristics (N = 101)

Characteristics	Frequency	%
<b>Gender</b>		
Male	36	35.64
Female	65	64.36
<b>Age</b>		
18-29 years old	73	72.28
30-39 years old	15	14.85
40-64 years old	13	12.87
Over 65 years old	0	0
<b>Education Level</b>		
Some high school	1	0.99
High school graduate	17	16.83

Some college	42	41.58
Trade/ technical/ vocational training	5	4.95
College graduate	24	23.76
Some postgraduate work	5	4.95
Post graduate degree	7	6.93
<b>Income Level</b>		
Less than VND5 million	41	40.59
VND5 million – 10 million	23	22.77
VND10 million – 15 million	16	15.84
VND15 million – 20 million	9	8.91
VND20 million and over	12	11.88

## ***4.2. Hypothesis Testing***

This section attempts to test the three hypotheses regarding demographics, consumer ethnocentrism, foreign product evaluation, country of origin and purchase intention for foreign products. It is hypothesized that consumer ethnocentrism varies with demographic characteristics (age, gender, education level and income level) (H1), positively influences foreign product evaluation given a high country of origin (H2) and negatively influences purchase intention for foreign products (H3).

### **4.2.1. Consumer Ethnocentrism**

Table 4 demonstrates the descriptive analysis of consumer ethnocentrism, including the mean and standard deviation of each item in the CETSCALE.

**Table 4.** Means and Standard Deviations of CETSCALE

	N	Mean	Std. Deviation
Vietnamese people should always buy Vietnamese-made products instead of imports	101	3,21	1,116
Only those products that are unavailable in Vietnam should be imported	101	3,06	1,279
Buy Vietnamese-made products. Keep Vietnamese working.	101	3,88	,886
Vietnamese products, first, last, and foremost	101	2,33	,884
Purchasing foreign-made products is un-Vietnamese.	101	1,49	,743
It is not right to purchase foreign products, because it puts Vietnamese out of jobs.	101	2,01	,843
A real Vietnamese should always buy Vietnamese-made products.	101	2,22	1,016
We should purchase products manufactured in Vietnam instead of letting other countries get rich off us.	101	2,51	1,092
It is always best to purchase Vietnamese products.	101	2,62	1,028
There should be very little trading or purchasing of goods from other countries unless out of necessity.	101	2,54	1,196
Vietnamese should not buy foreign products, because this hurts Vietnamese business and causes unemployment.	101	2,43	1,134
Curbs should be put on all imports.	101	2,48	1,064
It may cost me in the long run but I prefer to support Vietnamese products.	101	3,26	1,110
Foreigners should not be allowed to put their products on our markets.	101	2,04	1,131
Foreign products should be taxed heavily to reduce their entry into Vietnam.	100	2,37	1,089
We should buy from foreign countries only those products that we cannot obtain within our own country.	101	3,09	1,209
Vietnamese consumers who purchase products made in other countries are responsible for putting their fellow Vietnamese out of work.	101	2,02	1,077
Valid N (listwise)	100		

Based on the mean scores of each item, the mean level of consumer ethnocentrism in Vietnam is calculated as below:

$$CE = \bar{X} = \frac{\sum X}{N} = 2.5620$$

According to Table 4, the mean scores of CETSCALE items ranged from 1.49 to 3.88 on a 5-point Likert scale. The third item “Buy Vietnamese-made products. Keep

Vietnamese working”, on the one hand, which indicates the support for Vietnamese-made products to protect the domestic employment, got the highest rating among the respondents, with the mean score of 3.88. This item recorded a standard deviation of 0.886, which is less than one, implying that the respondents relatively shared the same attitude towards this item. The fifth item, “Purchase foreign-made products is un-Vietnamese”, on the other hand, which spots on the negative perception towards foreign made products, received the lowest score of 1.49; however, there seemed to be a consensus of opinions among respondents, which can explain the standard deviation of 0.743.

#### **4.2.2. Consumer Ethnocentrism and Demographics**

The hypothesis H1 is tested using the independent samples t-test. The results are shown as below in terms of each demographic variable.

*Age.* As can be seen from Table 5, the significance value in the Levene’s Test, which is greater than the required cut-off point of 0.05, so equal variance assumed is considered. The group of people aged over 39 years old ( $M=2.6606$ ;  $SD=0.37060$ ) received a higher mean score than the group of people aged 18-39 years old ( $M=2.5474$ ;  $SD=0.37060$ ), which implies that older people exhibits more ethnocentrism than younger people. However, the two-tailed significance value is 0.509, which is also greater than 0.05, and the t-value is -0.663, which is greater than -2 and not significant against 0.05. Thus, the results shown indicate that there is not a statistically significant difference between young and old people. It is suggested from the findings that age does not sufficiently explain the level of consumer ethnocentrism.



**Table 5.** Consumer Ethnocentrism in terms of Age**Group Statistics**

Age		N	Mean	Std. Deviation	Std. Error Mean
Consumer Ethnocentrism	18- 39 years old	88	2,5474	,59754	,06370
	Over 39 years old	13	2,6606	,37060	,10279

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Consumer Ethnocentrism	Equal variances assumed	1,645	,203	-,663	99	,509	-,11326	,17080	-,45216	,22564
	Equal variances not assumed			-,937	22,529	,359	-,11326	,12092	-,36369	,13718

*Gender.* As shown in Table 6, the significance value for Levene's Test is 0.491, which is greater than 0.05, so equal variance assumed is considered. The mean score of ethnocentric tendencies among male respondents ( $M=2.6741$ ;  $SD=0.57428$ ) is higher than that among their female counterparts ( $M=2.4971$ ;  $SD=0.56695$ ). This leads to the point that men are likely to be more consumer ethnocentric than women. However, the two-tailed significance value is 0.136, which is greater than 0.05, and the t-value is 1.504, which is smaller than 2 and not significant against 0.05. The figures lead to the point that male and female do not have statistically significant difference in terms of consumer ethnocentrism. Based on the findings, gender is suggested not to be a significant indicative of the level of consumer ethnocentrism.

**Table 6.** Consumer Ethnocentrism in terms of Gender

Group Statistics					
What is your gender?		N	Mean	Std. Deviation	Std. Error Mean
Consumer Ethnocentrism	Male	37	2,6741	,57428	,09441
	Female	64	2,4971	,56695	,07087

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Consumer Ethnocentrism	Equal variances assumed	,477	,491	1,504	99	,136	,17696	,11764	-,0565	,41038
	Equal variances not assumed			1,499	74,485	,138	,17696	,11805	-,0582	,41215

*Education Level.* Table 7 provides the significance value for Levene's Test of 0.731, thus, equal variance assumed is considered. Higher-educated respondents (M=2.5655; SD=0.55680) demonstrated a higher mean score than lower-educated respondents (M=2.5499; SD=0.55680). This could mean that ethnocentric tendencies are higher for higher-educated people than for lower-educated people. Yet, the two-tailed significance is 0.909, which is greater than 0.05 and the t-value is -0.114, which is greater than -2 and not significant against 0.5. Therefore, concerning the mean consumer ethnocentrism for higher educated and lower educated people, there is not a statistically significant difference, suggesting that education level does not vary with consumer ethnocentrism among the sample's respondents.

**Table 7.** Consumer Ethnocentrism in terms of Education Level**Group Statistics**

Education Level		N	Mean	Std. Deviation	Std. Error Mean
Consumer Ethnocentrism	Lower education	23	2,5499	,63889	,13322
	Higher education	78	2,5655	,55680	,06305

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Consumer Ethnocentrism	Equal variances assumed	,119	,731	-,114	99	,909	-,01564	,13668	-,28685	,25556
	Equal variances not assumed			-,106	32,492	,916	-,01564	,14738	-,31568	,28439

*Income Level.* According to Table 8, the value for Levene's Test is 0.517, which is greater than .05, so equal variance assumed is considered. In terms of the mean scores, people with the income of below VND15 million (M=2.5845; SD=0.56279) received a higher score than people with the income of over VND15 million (M=2.4762; SD=0.61804). This could imply that lower-income people showed more consumer ethnocentrism than higher-income people. However, the t-value is -0.769, which is smaller than two and not significant against 0.05 and the two-tailed significance value is 0.444, which is greater than 0.05. Thus, there is not a statistically significant difference between the mean consumer ethnocentrism scores of higher income and lower income people. It suggests that income level does not have an interactive impact on consumer ethnocentrism.

**Table 8.** Consumer Ethnocentrism in terms of Income Level

Group Statistics					
Income Level		N	Mean	Std. Deviation	Std. Error Mean
Consumer Ethnocentrism	Below VND15 million	80	2,5845	,56279	,06292
	Over VND15 million	21	2,4762	,61804	,13487

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Consumer Ethnocentrism	Equal variances assumed	,423	,517	,769	99	,444	,10828	,14083	-,17117	,38772
	Equal variances not assumed			,728	29,303	,473	,10828	,14882	-,19597	,41252

To sum up, all four demographic factors were found not to have a substantial impact on consumer ethnocentric tendencies among the Vietnamese respondents. The mean values for each group in each demographic aspect were different; however, the difference levels were not significant against each other. The findings can be considered to be somewhat surprising, which seem in conflict with previous studies that contended the impact of demographics on consumer ethnocentrism (Sharma et al., 1995; Good and Huddleston, 1995; Caruana, 1996; Ueltschy, 1998). This can be explained by that the sample in this thesis was unequally distributed, as mentioned above. The relatively too large proportion for younger people, higher-educated people and lower-income people could be the main factor that could not produce meaningful findings. In terms of gender, it was unable to answer why the significance level was reported not to be practical in explaining the consumer ethnocentrism.

#### 4.2.3. Consumer Ethnocentrism, Country of Origin Image and Product Evaluation

To examine whether there is a significant relationship between consumer ethnocentrism

and product evaluation, and whether there is a moderating effect of country of origin, the moderated multiple regression analysis was utilized.

Based on the Model Summary (Table 9), the results referring to the two models estimated indicate that including the interaction term between consumer ethnocentrism and country of origin does not help to explain the variable of product evaluation. In the first model, the R square (0.119) and adjusted R square (0.101) imply a sound regression equation. When it comes to the second model, the R square increased (0.127) while the adjusted R square decreased (0.100), which leads to the point that the interaction term does not have much impact on the dependent variable (i.e. product evaluation).

**Table 9. Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	,345 <sup>a</sup>	,119	,101	,48062	,119	6,606	2	98	,002	1,957
2	,357 <sup>b</sup>	,127	,100	,48078	,008	,936	1	97	,336	

a. Predictors: (Constant), Country Of Origin (Japan), Consumer Ethnocentrism

b. Predictors: (Constant), Country Of Origin (Japan), Consumer Ethnocentrism, Consumer Ethnocentrism x Country of Origin (Japan)

c. Dependent Variable: Product Evaluation (Japan)

In the Coefficients Table (Table 10), in the first model, the t-values for consumer ethnocentrism and country of origin are significant against 0.05 level of significance. In details, consumer ethnocentrism has the t-value of -2.354, which is smaller than -2, and country of origin has the t-value of 2.635, which is greater than 2. Therefore, there are

significant relationships between consumer ethnocentrism and product evaluation, and between country of origin and product evaluation.

**Table 10. Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95,0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	3,273	,458		7,152	,000	2,365	4,181
	Consumer Ethnocentrism	-,197	,084	-,223	-2,351	,021	-,364	-,031
	Country Of Origin (Japan)	,238	,090	,250	2,635	,010	,059	,417
2	(Constant)	,929	2,465		,377	,707	-3,964	5,823
	Consumer Ethnocentrism	,679	,910	,768	,746	,457	-1,127	2,485
	Country Of Origin (Japan)	,757	,545	,797	1,390	,168	-,324	1,838
	Consumer Ethnocentrism x Country of Origin (Japan)	-,194	,201	-1,109	-,967	,336	-,593	,204

a. Dependent Variable: Product Evaluation (Japan)

When it comes to the correlation coefficients, the results investigated indicate the value of correlation concerning consumer ethnocentrism (Beta = -0.223), which implies that consumer ethnocentrism negatively affect product evaluation for Japanese products. Furthermore, the coefficient in terms of country of origin is reported to be positive (Beta = 0.250) and, therefore, demonstrates a positive relationship between country of origin

and Japanese product evaluation. In the second model, the t-values for consumer ethnocentrism ( $t = 0.746$ ), which is smaller than two, and for country of origin ( $t = 1.390$ ), which is smaller than two, are not significant against 0.05 level of significance. Moreover, the t-value for interaction term of consumer ethnocentrism and country of origin is  $-0.967$ , which is greater than  $-2$  and more notably not significant against 0.05 level of significance. Therefore, the interaction term can be argued that it does not have impact on product evaluation for foreign products. Furthermore, the significances of all the variables in the second model are greater than 0.05, which are contradicted to those in the first model. Consequently, country of origin in terms of Japan is not considered as the moderator that affects the relationship between consumer ethnocentrism and product evaluation.

Given the aforementioned results, there is a significantly negative relationship between consumer ethnocentrism and product evaluation. However, there is not statistical evidence that country of origin functions as a moderator. Instead it could be treated as an independent variable that directly impacts the product evaluation.

#### **4.2.4. Consumer Ethnocentrism and Purchase Intention**

The Pearson's Correlation Coefficient analysis was executed to test if there is a statistically significant linear relationship between consumer ethnocentrism and purchase intention. The results are demonstrated in Table 11.

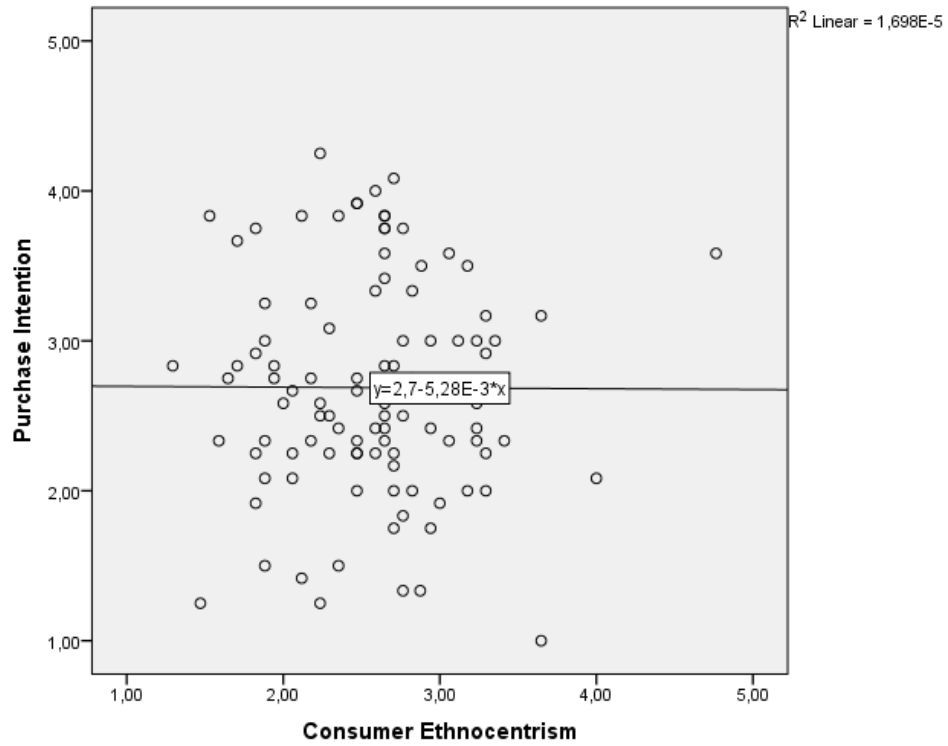
**Table 11. Correlations**

		Purchase Intention	Consumer Ethnocentrism
Purchase Intention	Pearson Correlation	1	-,004
	Sig. (2-tailed)		,967
	N	101	101
Consumer Ethnocentrism	Pearson Correlation	-,004	1
	Sig. (2-tailed)	,967	
	N	101	101

As expected, the Pearson's correlation of consumer ethnocentrism and purchase intention revealed that the correlation between the two constructs is negative. However, the results reported a p-value of 0.966, which is greater than 0.05. This means that there is not a significant relationship between consumer ethnocentrism and purchase intention for foreign products with  $r(99) = -.004$ ,  $p = 0.967$ . Thus, it can be implied that consumer ethnocentrism is not a substantial indicator of purchase intention in the case of Vietnamese consumers. In other words, the increase in the level of consumer ethnocentrism does not lead to the expected decrease in the consumers' purchase intention for foreign apparel products. The relationship is visualized in Figure 2.



**Figure 2.** The correlation between  
consumer ethnocentrism and purchase intention



## V. DISCUSSION AND ANALYSIS

In this chapter, further discussion will be provided concerning the proposed hypotheses and their findings. A particular focus of this research is to examine the impacts of consumer ethnocentrism and country of origin on foreign product evaluation and purchase intention for foreign products.

In this study, among Vietnamese consumers, demographics were found not to have statistically significant impact on consumer ethnocentrism. Consumer ethnocentrism was found to be present at a moderately high level with the mean of 2.562 on a 5-point scale. When the value is converted to be on a 100-point scale, the strength of consumer ethnocentrism in Vietnam receives 51.24 out of 100.

**Table 12.** The mean values of CETSCALE by country (Adopted from Hamin and Elliot (2006) and updated by the researcher)

Researcher	Country	Respondent	Mean
Shimp and Sharma (1987)	USA	Students	51.92
Durvasula et al. (1997)	USA	Students	50.24
	Russia	Students	32.02
Watson and Wright (1999)	New Zealand	General population	62.21
Good and Huddleston (1995)	Poland	General population	69.19
	Russia	General population	51.68
Sharma et al. (1995)	Korea	General population	85.07
Caruana (1996)	Malta	General population	56.80
Hult et al. (1999)	USA	Students	61.50

	Japan	General population	40.10
	Sweden	General population and students	38.40
Steenkamp and Baumgartner (1998)	Belgium	General population	28.70
	Great Britain	General population	30.29
	Greece	General population	37.84
Brodowsky (1998)	USA	General population	61.68
Hamin and Elliot (2006)	Indonesia	General population	74.50
Current study	Vietnam	General population	51.24

According to Table 12, Korea had the highest mean score in the level of consumer ethnocentrism (85.07), followed by Indonesia (74.50) (Hamin and Elliot, 2006) and Poland (69.19) (Good and Huddleston, 1995). In the other end of the spectrum, the mean scores of consumer ethnocentrism varied the lowest in Belgium (28.70), Great Britain (30.29) (Steenkamp and Baumgartner, 1998) and Russia (32.02) (Durvasula et al., 1997). In this thesis, with the mean score of 51.24, when compared with other countries in which the CETSCALE was tested, Vietnam is among the countries with a moderate strength of consumer ethnocentrism, with the mean score being slightly lower than Russia (51.68) (Good and Huddleston, 1995), USA (51.92) (Shimp and Sharma, 1987) and slightly higher than USA (50.24) (Durvasula et al., 1997).

However, consumer ethnocentrism did not differ considerably based on age, gender, education level and income level. In terms of age, older people did not display more ethnocentrism than younger people, which support the previous studies of Sharma et al. (1995) and Ueltschy (1998) that age does not vary with consumer ethnocentrism. In terms of gender, female are not significantly more consumer ethnocentric than male,

which is consistent with Good and Huddleston (1995) and Caruana (1996). However, this finding seems to contradict with studies such as Wall and Heslop (1986), Sharma et al. (1995) and Good and Huddleston (1995), which confirmed that the strength of consumer ethnocentrism is higher for women than for men. In terms of education level, lower educated consumers did not exhibit more significantly ethnocentric tendencies than higher educated consumers. Studies such as Han (1988) and Balabanis et al. (2001) claimed the same observation. In terms of income level, consumer ethnocentrism also was not significantly prevalent between lower income and higher income people. The finding is consistent with the finding from Han (1988) yet contradicts with the findings from Sharma et al. (1995), Caruana (1996) and Ueltschy (1998). Thus, there was not enough statistical evidence to support the hypotheses H1a, H1b, H1c and H1d.

Given the statistical results, it is unable to explain why demographic characteristics did not vary with the level of consumer ethnocentrism in Vietnam. The CETSCALE has been validated across various countries to vary with demographics, including developing contexts; the scale should have provided more meaningful results in testing the hypotheses (Sharma et al., 1995; Good and Huddleston, 1995; Caruana, 1996; Ueltschy, 1998; Klein et al., 1999; Cumberland et al., 2010). One possible explanation is that since the “Doi Moi” reform policy in 1986 and the more access to the ever-globalized market for apparels, Vietnamese consumers across demographic segmentations are increasingly likely to purchase foreign made products available in the local market. This phenomenon seems unlikely given the fact that Vietnam has a long-established history of building and safeguarding the country against foreign invasion, which the people are filled with patriotic aspirations. It is reasonable, as follows, that consumer ethnocentrism could be a powerful factor in determining the consumption behavior of Vietnamese consumers to protect the domestic market. In fact, the majority of the survey’s respondents are mostly young people aged 18-39 (87.13% in total). They were born after the year of the country’s reunification in 1975, having lived their life in peace. They were not directly involved in times of the war so somehow they could not truly experience the intense motivation to protect the country. As such, their patriotic

perceptions did not demonstrate fiercely when translating into the consumption behavior.

On a theoretical approach, the demographics might not be a powerful factor in determining the strength of consumer ethnocentrism in the context of Vietnam. As mentioned, ethnocentric tendencies are part of social-psychological, demographic (Sharma et al., 1995), economic and political factors (Shankarmahesh, 2006). Amongst extensive studies of consumer ethnocentrism, there has been a great consensus that demographics could be a substantial indicator of ethnocentric tendencies (Bannister and Sauders, 1978; Han, 1988; Sharma et al., 1995; Good and Huddleston, 1995; Caruana, 1996; Balabanis et al., 2001; Shankarmahesh, 2006). In this thesis, the researcher focused solely on demographic antecedents to study consumer ethnocentrism and overlooked other antecedents. It was believed that the diversity of demographics could be translated into the varying level of consumer ethnocentrism. However, given the insignificance of the findings, it might be argued that the socio-psychological, economic or political factors could better explained consumer ethnocentrism in Vietnam than demographic factors. Vietnam has been progressively undergoing a transition economy since 1986. Together with the movement of the openness to the international trade, Vietnamese consumers are increasingly embracing the global consumer culture and adjusting modern cultures with traditional values (Nguyen and Smith, 2012). Therefore, the socio-psychological and economic antecedents could more powerful in examining consumer ethnocentrism. Furthermore, consumer ethnocentrism might vary more significantly with the political environment. Good and Huddleston (1995) argued that consumers in the countries with a history of foreign invasion tend to be more ethnocentric than people in other countries. Given the complex history of Vietnam of fighting for independence, consumer ethnocentrism could be explained better by the political environment.

On a methodological approach, the reported insignificant difference between consumer ethnocentrism and demographics might lie in the survey distribution. The survey was distributed in two cities and amongst a large pool of people who are urbanized and internationalized to some extent. Been living in the city, the people are well enamored with foreign brands available in the marketplace. Given the small proportion of domestic brands that are doing businesses locally and the assumed low quality, it is reasonable that people might feel more favorable towards foreign made products. Furthermore, the survey was shared via the means of social media i.e. Facebook, therefore, the researcher had difficulty approaching a large potential of respondents who are not actively on social media platforms. Given the total number of 101 responses, more data should have been collected to reinforce the reliability. Thus, the research could not reach a diverse target audience, which might a factor that the findings were not meaningful enough to explain the hypotheses.

The study demonstrates that country of origin does not interfere significantly with the correlation between consumer ethnocentrism and foreign product evaluation. Yet it works as a significant predictor of foreign product evaluation. This supports previous findings in Bandyopadhyay et al. (2014) that country of origin or country of origin positively influenced product evaluation. However, they contradict to the findings that argue that country of origin has little influence on foreign product evaluation, if any at all (Cumberland et al., 2010). It was also interesting to find that Japan received the highest score among the three countries in terms of country of origin image. Although Vietnamese consumers are exposed to the Western lifestyle through movies and books and the increasing popularity of the global phenomenon of the Korean Wave, Japan enjoyed the highest country of brand origin. Vietnamese people has a favorable view of Japan as a country of the rising sun with hard work, persistency, motivation and strong spirits. News and social media has regularly featured the images and stories of how Japanese has stood up and rebuilt the country after catastrophic earthquakes (VTV.vn, 2016). Apparel products, especially made in Japan, are synonyms of “high quality”, associated with positive images (Q&Me, 2016). It is reasonable, as a result, that the

statistical findings illustrate a significantly positive relationship between country of brand origin and product evaluation in the case of Japan among Vietnamese consumers.

As mentioned above, consumer ethnocentrism is present in Vietnam at a moderate level. However, it was found that there was not a statistically significant relationship between consumer ethnocentrism and purchase intention for foreign products. In other words, consumer ethnocentrism is not a significant predictor of purchase intention for foreign products. The finding is consistent with findings from other studies, to name a few, Nguyen et al. (2008) and Cumberland et al. (2010). This might be explained by that Vietnamese consumers when purchasing foreign apparel products, they emphasize the importance of other product attributes, for instance, price, fashion trend, durability, to list a few. They tend not to focus on whether the apparel product is domestically made or foreign made.

The situation in the apparel market in Vietnam should also be considered as one of the explanations. The Chinese made products, which are more affordable with incredibly cheap prices, has always dominated the Vietnamese marketplace for apparels and fashionable styles yet low quality. When compared to made-in-China apparel products, made-in-Vietnam ones are regarded as higher price and seasonality. The recent inflow of foreign brands into the Vietnamese market has put the domestic brands at more risk. With the increasing affluent and young population and status consumption, consumers are shifting from price consciousness to value consciousness. They prefer foreign brands that are attached with higher status and higher quality. It is reasonable to say that Vietnamese made products has never been in a favorable position. Thus, although consumer ethnocentrism is present to some extent, it does not translate into the bias for foreign apparel brands.

## VI. CONCLUSIONS

This chapter attempts to provide the summary of the entire research. The main findings will be demonstrated and the research questions will be answered. Furthermore, the thesis will discuss the implications of the topic in the context of international business. This chapter will conclude with the limitations and suggestions for further research.

### 6.1. Main Findings

This section aims to summarize the findings of the research and answer the three proposed research questions. The findings are reported in Table 13.

**Table 13.** Hypotheses and Findings

H1a: Older Vietnamese people are more consumer ethnocentric than younger Vietnamese people.	Unsupported
H1b: Vietnamese women are more consumer ethnocentric than Vietnamese men	Unsupported
H1c: Higher-educated Vietnamese consumers are less ethnocentric than lower-educated Vietnamese consumers	Unsupported
H1d: Higher-income Vietnamese consumers are less ethnocentric than lower-income Vietnamese consumers.	Unsupported
H2: Product evaluation for foreign products is negative influenced by consumer ethnocentrism. With a high country of origin image, product evaluation for foreign products is positively influenced by consumer ethnocentrism.	Partially supported, country of origin as an independent variable has significantly positive influence on foreign product evaluation
H3: Purchase intention for foreign products is negatively influenced by consumer ethnocentrism.	Unsupported



Based on previous research, it is implied that demographics have considerable influences on consumer ethnocentrism (Sharma et al., 1995; Caruana, 1996; Ueltschy, 1998; Shankarmahesh, 2006). However, in this research, there was not enough statistical evidence that age, gender, income level and education level vary with consumer ethnocentrism. The reasons for insignificance of the findings might lie in the social context in Vietnam since the openness to international trade and, particularly, the disproportionately distributed sample, which have been clearly discussed in the previous chapter. As such, the hypotheses H1a, H1b, H1c and H1d were not supported. In answering to the research question 1, consumer ethnocentrism seems not to vary among demographic groups in Vietnam.

Furthermore, the findings pointed out a significantly negative relationship between consumer ethnocentrism and foreign product evaluation. However, country of origin was not found to have a moderating effect in the relationship between consumer ethnocentrism and foreign product evaluation. Instead, the concept works as an independent variable. Thus, the hypothesis H2 was partially supported. In answering to the research question 2, country of origin directly influences foreign product evaluation in a positive direction.

In addition, consumer ethnocentrism was found not to be a powerful predictor of the negatively proposed purchase intention for foreign products. Even though the level of consumer ethnocentrism is present in Vietnam, the increase in ethnocentric tendencies does not translate into the decrease in purchase intention for foreign products. It is likely that Vietnamese consumers pay more attention to other attributes, for example, price, durability, style, etc., than the product origin. As a result, the hypothesis H3 is not supported. In answering to the research question 3, consumer ethnocentrism does not have a significant influence on purchase intention.

## ***6.2. Implications for International Business***

For a relatively small scale of the research, the findings are deemed exploratory to give way for more thorough future research rather than come at definite conclusions in terms of the concepts. However, several managerial implications can still be drawn from the findings.

The findings suggest that consumer ethnocentrism does not automatically translate into bias for foreign products. This might be a positive sign for international marketers and businesses that propose to penetrate the Vietnamese lucrative apparel marketplace. Yet, because the moderate level of consumer ethnocentrism among Vietnamese consumers still exists, they should ensure that their marketing strategies do not include country related sensitive elements. They should make sure that their promotions should not trigger the patriotic or nationalistic perceptions that might pose serious problems for them. Furthermore, as foreign product evaluation is positively influenced by country of brand origin, this finding is relevant for international marketers when they have to face fierce competition with other marketers from other countries and local marketers. As such, they should formulate strategic plans that include their positive country image. The country of brand origin images should be promoted along with the product promotions.

For domestic apparel brands that are seemingly losing the battle in their home market, they should increasingly attract ethnocentric consumers to purchase local products. They should further promote the Buy Vietnam movement including the “Vietnamese use made-in-Vietnam goods” campaign with other domestic brands to stimulate ethnocentric proclivities and compete more effectively with other foreign brands.

## ***6.3. Limitation and recommendations for future research***

Although this research attempted to draw some conclusions, certain limitations should be taken into consideration, which mainly were methodological limitations.

First, the research was conducted on a relatively small sample size. A number of 101 responses was recorded in the database, which is a fairly acceptable number. However, the research aims to generalize the findings for the whole population in Vietnam. Thus, the sample could not provide meaningful analysis relating to a quantitative study. Also, given the nature of an overarching study across demographic groups, the majority of recorded respondents are relatively too large for young people, higher educated people and lower income people, which accounted for over 80% of the respondents. Therefore, the disproportionate distribution of respondents has resulted in the insignificance of the findings, which they could not test some proposed hypotheses. As a result, it is suggested for a more extended sample size that represents more diverse demographic groups to study the concept of consumer ethnocentrism in Vietnam to produce better representative findings of the population to understand the consumer behavior of Vietnamese consumers.

Second, the thesis could not reach a diverse target audience. It focused on respondents in Hanoi and Ho Chi Minh City. The concentration on only two cities might have not provided an overarching assessment for the consumer behavior of the whole population in Vietnam. This argument can be explained by that the consumer attitudes for foreign made products may vary significantly in other geographical parts of Vietnam. Consumers of different cultures can also have different levels of ethnocentric tendencies, given the context that Vietnam is a relatively diverse nation with more than 50 ethnic groups of people across the country. Furthermore, the research instrument's distribution channel was selected to be Facebook. Although Facebook is the most popular social media platform in Vietnam, not everyone due to the lack of technological knowledge, holds a Facebook account, especially the case of middle-aged and elderly people. Thus, future research should address a nation-wide sample of people of more

diverse age groups and more geographical areas. It would be also interesting for future research to conduct cross-cultural studies including other developing countries to undertake comparisons across countries.

Third, the selected foreign countries were Japan, Korea and the United States. The three countries were believed to have high country of origin images in the minds of Vietnamese consumers, which, as follows, the consumer attitude may be specific towards these three countries in terms of apparel products. The findings of the thesis, therefore, emphasized country of origin related information in terms of solely the three countries of interest and could not be generalized to apparel products from other countries. Consequently, it is suggested from this thesis that future research should target other countries as well for more overarching and generalized results in the study of country of origin image.

Fourth, there are four general antecedents of consumer ethnocentric tendencies, including demographic, socio-psychological, economic and political influences. Demographics were chosen to conduct the study in the context of Vietnam in this thesis while the other three antecedents were overlooked. As follows, demographics were found not to be powerful determination of consumer ethnocentrism among Vietnamese consumers. It is, therefore, suggested for a more comprehensive study of consumer ethnocentrism in terms of not only demographics but also other aspects for more meaningful findings to understand the consumer behavior in Vietnam.

Finally yet importantly, consumer ethnocentrism and country of origin are not the only factors that affect the product evaluation and purchase intention for foreign products. There are other factors as well, e.g. status orientation (Nguyen and Smith, 2012), animosity (Carter, Jr., 2009), cultural sensitivity (Nguyen et al., 2008), to name a few, which have been studied extensively. These aforementioned topics can be taken into

account for a more comprehensive study of the consumption behavior context in Vietnam.

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## APPENDICES

### **Appendix 1.** Consumer Ethnocentrism (Adapted from Shimp and Sharma, 1987)

1. Only those products that are unavailable in the United States should be imported.
2. American products first, last, and foremost.
3. Purchasing foreign-made products is un-American.
4. It is not right to purchase foreign products, because it puts Americans out of jobs.
5. A real American should always buy American-made products.
6. We should purchase products manufactured in America instead of letting other countries get rich off us.
7. Americans should not buy foreign products, because this hurts American business and causes unemployment.
8. It may cost me in the long-run, but I prefer to support American products.
9. We should buy from foreign countries only those products that we cannot obtain within our own country.
10. American consumers who purchase products made in other countries are responsible
11. Buy American-made products. Keep America working.
12. It is always best to purchase American products.
13. There should be very little trading or purchasing of goods from other countries unless out of necessity.
14. Curbs should be put on all imports.
15. Foreigners should not be allowed to put their products on our markets.
16. Foreign products should be taxed heavily to reduce their entry into the U.S.
17. American people should always buy American-made products instead of imports.

**Appendix 2.** Country of Brand Origin Image (Adapted from Papadopoulos, Marshall and Heslop, 1988)

Country Beliefs:

1. Rich/ Poor
2. High level of education/ Low level of education
3. Technologically advanced/ Not technologically advanced

People Affect:

4. Trustworthy/ Not trustworthy
5. Hardworking/ Not hardworking
6. Likeable/ Not likeable

Desired Interaction:

7. We should/ should not have closer ties with \_\_\_\_\_ (*foreign country*)
8. Ideal country/ not ideal country.
9. Would/ would not welcome more investment from \_\_\_\_\_ (*foreign country*)

**Appendix 3.** Product Evaluation (Adapted from

1. Products made in \_\_\_\_\_ (*foreign country*) are carefully produced and have fine workmanship.

2. Products made in \_\_\_\_\_ (*foreign country*) are generally of a lower quality than similar products available from other countries.
3. Products made in \_\_\_\_\_ (*foreign country*) usually show a very clever use of color and design.
4. Products made in \_\_\_\_\_ (*foreign country*) show a very high degree of technological advancement.
5. Products made in \_\_\_\_\_ (*foreign country*) are usually quite unreliable and do not seem to last the desired length of time.
6. Products made in \_\_\_\_\_ (*foreign country*) are usually not a good value for the money.

**Appendix 4.** Purchase Intention (Adapted from

1. Whenever available, I would prefer to buy products made in \_\_\_\_\_ (*foreign country*).
2. I would feel guilty if I bought a \_\_\_\_\_ (*foreign country*) product.
3. I would never buy \_\_\_\_\_ (*foreign country*) products.
4. Whenever possible, I avoid buying \_\_\_\_\_ (*foreign country*) products.
5. I do not like the idea of owning \_\_\_\_\_ (*foreign country*) products.
6. If two products were equal in quality, but one was from \_\_\_\_\_ (*foreign country*) and one was from the United States, I would pay 10% more for the product from the United States.



## Appendix 5. Survey Layout in English

Dear Participant,

I am a student from Aalto University, School of Business, Mikkeli Campus, Finland. I am conducting a research for my Bachelor's Thesis on the impacts of consumer behavior on Product Evaluation and Purchase Intention. I would appreciate it if you could take about 10 minutes to take this survey. I assure you that the data will be confidential, and solely used for the purpose of my research, and the results of the survey will be reported in aggregates only.

*Please choose the option that best describes the extent of your agreement to each of the following statements.*

**Vietnamese people should always buy Vietnamese-made products instead of imports.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**Only those products that are unavailable in Vietnam should be imported.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**Buy Vietnamese-made products. Keep Vietnamese working.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**Vietnamese products, first, last, and foremost.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**Purchasing foreign-made products is un-Vietnamese.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**It is not right to purchase foreign products, because it puts Vietnamese out of jobs.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**A real Vietnamese should always buy Vietnamese-made products.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**We should purchase products manufactured in Vietnam instead of letting other countries get rich off us.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**It is always best to purchase Vietnamese products.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**There should be very little trading or purchasing of goods from other countries unless out of necessity.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**Vietnamese should not buy foreign products, because this hurts Vietnamese business and causes unemployment.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**Curbs should be put on all imports.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**It may cost me in the long run but I prefer to support Vietnamese products.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**Foreigners should not be allowed to put their products on our markets.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**Foreign products should be taxed heavily to reduce their entry into Vietnam.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**We should buy from foreign countries only those products that we cannot obtain within our own country.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

**Vietnamese consumers who purchase products made in other countries are responsible for putting their fellow Vietnamese out of work.**

Strongly Disagree   1      2      3      4      5      Strongly Agree

*Now consider the apparel products that come from these countries: South Korea, Japan, and the United States. Please choose the option that best describes the extent of your agreement to each of the three countries provided and the statements that best reflects your opinion about that country.*

Apparel products made in \_\_\_\_\_ are carefully produced and have fine workmanship.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

Apparel products made in \_\_\_\_\_ are generally of a lower quality than similar products available from other countries.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

Apparel products made in \_\_\_\_\_ show a very high degree of technological advancement.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

Apparel products made in \_\_\_\_\_ usually show a very clever use of color and design.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

Apparel products made in \_\_\_\_\_ are usually quite unreliable and seem not to last the desired length of time.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

Apparel products made in \_\_\_\_\_ are usually not a good value for the money.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
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<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

*Please choose the option that best describes the extent of your agreement with the purchasing behavior to each of the three countries.*

Whenever possible, I avoid buying \_\_\_\_\_ apparel products.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

I do not like the idea of owning \_\_\_\_\_ apparel products.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

Whenever available, I would prefer to buy apparel products made in \_\_\_\_\_.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

If two apparel products were equal in quality, but one was from \_\_\_\_\_ and one was from Vietnam, I would pay 10% more for the product from Vietnam.

<b>South Korea</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>Japan</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree
<b>The United States</b>	Strongly Disagree	1	2	3	4	5	Strongly Agree

*Please choose the option that best describes the extent of your agreement with the descriptions to each of the three countries.*

#### **South Korea**

	Rich	1	2	3	4	5	Poor
High level of education		1	2	3	4	5	Low level of education
Technologically advanced		1	2	3	4	5	Not technologically advanced

#### **Japan**

	Rich	1	2	3	4	5	Poor
High level of education		1	2	3	4	5	Low level of education
Technologically advanced		1	2	3	4	5	Not technologically advanced

#### **The United States**

Rich	1	2	3	4	5	Poor
High level of education	1	2	3	4	5	Low level of education
Technologically advanced	1	2	3	4	5	Not technologically advanced

### People from South Korea

Trustworthy	1	2	3	4	5	Not trustworthy
Hardworking	1	2	3	4	5	Not hardworking
Likeable	1	2	3	4	5	Not likeable

### People from Japan

Trustworthy	1	2	3	4	5	Not trustworthy
Hardworking	1	2	3	4	5	Not hardworking
Likeable	1	2	3	4	5	Not likeable

### People from the United States

Trustworthy	1	2	3	4	5	Not trustworthy
Hardworking	1	2	3	4	5	Not hardworking
Likeable	1	2	3	4	5	Not likeable

### Desired Interaction with Korea

We should have closer ties with South Korea	1	2	3	4	5	We should not have closer ties with South Korea
Ideal country	1	2	3	4	5	Not ideal country
Would welcome more investment from South Korea	1	2	3	4	5	Would not welcome more investment from South Korea

#### **Desired Interaction with Japan**

We should have closer ties with Japan	1	2	3	4	5	We should not have closer ties with Japan
Ideal country	1	2	3	4	5	Not ideal country
Would welcome more investment from Japan	1	2	3	4	5	Would not welcome more investment from Japan

#### **Desired Interaction with the United States**

We should have closer ties with the United States	1	2	3	4	5	We should not have closer ties with the United States
Ideal country	1	2	3	4	5	Not ideal country
Would welcome more investment from the United States	1	2	3	4	5	Would not welcome more investment from the United States



*Please tell me some background information about yourself.*

**What is your gender?**

1. Male
2. Female

**What is your age?**

1. 18-29 years old
2. 30-39 years old
3. 50-64 years old
4. 65 years and over

**What is the highest level of education you have completed?**

1. Some high school
2. High school graduate
3. Some college
4. Trade/technical/vocational training
5. College graduate
6. Some postgraduate work
7. Post graduate degree

**What is your monthly income level?**

1. Less than VND5 million
2. VND5 million - 10 million
3. VND10 million - 15 million
4. VND15 million - 20 million
5. VND20 million and over